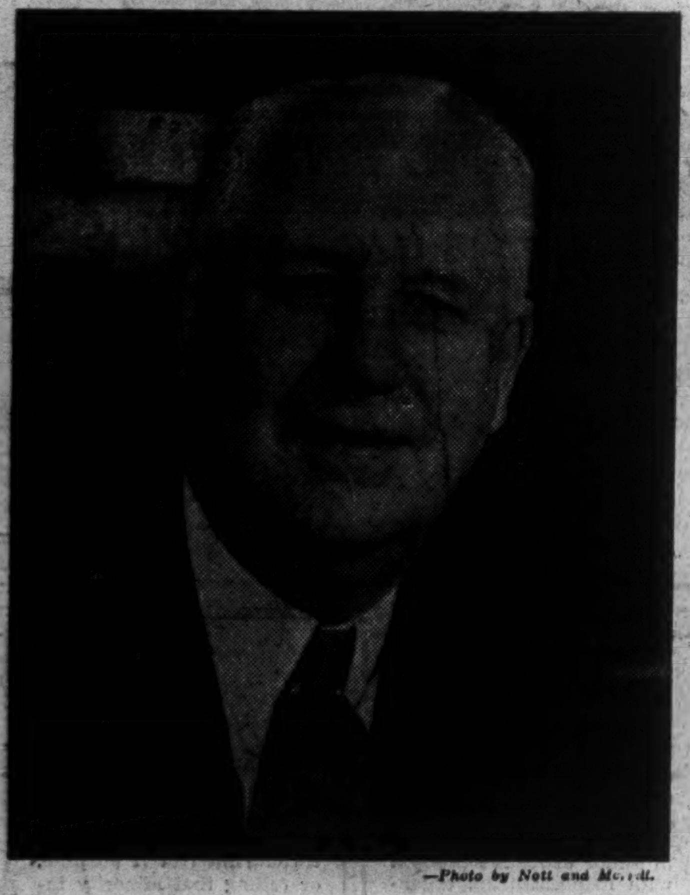
The Financial Post

The Canadian Newspaper for Businessmen and Investors

Vol. XLII Fifteen Cents an Issue, Five Dollars a Year — Publication Office: Toronto, May 1, 1948 — Member of Audit Bureau of Circulations — No. 18

Imperial Bank Chief



—Photo by Nott and Merrill.

William Gibb More this week was elected ninth president of the 73-year-old Imperial Bank of Canada, succeeding R. S. Waldie who becomes chairman of the board. Mr. More, educated at George Watson's College in Edinburgh, later qualifying as a solicitor, came to Canada from Scotland in 1911, to join the staff of the Imperial Bank, organizing its internal legal department; rose to general manager in 1944; in 1945 was appointed a vice-president. He plays golf in 70's has been champion of the Toronto Golf Club a dozen times.

THE NATION'S BUSINESS

Breach U. S. Tariff Or Our Future Bleak

Unless Canada can quickly and substantially increase her exports to the United States this country faces most drastic and painful readjustment in the near future. That readjustment might easily involve a considerable drop in our present standard of living and a sharp increase in the exodus of our young people to the United States.

Our problem is as simple as that faced by the merchant whose customers have exhausted their credit but whose wholesaler insists on selling for cash. Up to the present Canada's chief customer has been Europe; our chief supplier the United States.

Since the war we have been lucky.

Through loans we have been able to keep Britain and some other European countries taking our surplus goods and from a war accumulation of American dollars, we have been able to finance purchases from the United States. But in both respects we are now nearing the end of our tether.

Had it not been for Washington's European Recovery Program, a great deal of our export to Europe must have been halted this spring, because this trade is absolutely dependent on a proportionate import from the United States. To export grain, meat, lumber, fish, base metals and other things to Europe, we must have American coal, steel, equipment, and other key supplies.

As D. B. Greig, president of the Ford Motor Company of Canada stated this week: "ERP will merely give Canada a much needed breathing spell in which to set her house in order and seek some permanent way out of her economic quandary."

What is the solution?

Morgan Reid, young Canadian economist, speaking before the Toronto Ticker Club, answered this way:

"Vigorous prosecution of a trade treaty with the United States incorporating realistic but selective tariff reductions and eliminations on both sides. Manufactured articles as well as agricultural produce should be included. Limitations would be established by the temporary degree of dislocation that can be absorbed — but import restrictions also would create difficulties.

"It means we are willing to accept the competition of American mass production in return for access to the American mass market. It is not customs union, but a gigantic stride in that direction. It is not political subservience to the United States but recognition of the consequences of being an economic orphan on the North American Continent. We cannot live alone and like it."

In principle at least there will be no disagreement with that solution. If we are to continue to buy American goods, to maintain an "American" standard of living, then United States must buy far more from us. And while the world is still short of goods, is the time to start.

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Should Force Vote on Margarine

If Parliament thinks that the Canadian people are going to be satisfied with its performance to date on the margarine issue then it is badly advised. The very least it can do is to bring this matter out into the open and put it to a vote. The public wants to know what members are in favor of the present butter monopoly and what members are opposed.

As a private bill, the margarine issue will not get anywhere in Parliament. If it does come up again as a private measure it will be talked out once more, just as the Government planned when it rigidly limited the debate on private bills to a single hour.

The only hope of parliamentary action is to have this matter sponsored in a public bill. The Government will avoid that if it possibly can. It hopes that this embarrassing question can be shelved with a minimum of fuss, until the current butter crisis has passed and the public will perhaps forget.

That sort of cowardly stalling has gone on too long. It could and should be ended by leaders of the Opposition insisting that Parliament face this issue squarely and at this session in a non-party vote. The ban on margarine is a national scandal, an outrageous piece of impertinence on the part of an industry that is unable to supply its own market.

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Prices Probe Stopped the Game

The prices committee at Ottawa may not have accomplished all that its members had hoped, but it has had one most salutary effect. It brought an immediate end to a particularly vicious political technique that could have done a great deal of harm if it had been allowed to persist, namely the blanket charges of "Profiteering" which parliamentary leaders bandied about so recklessly in the closing months of 1947. Cabinet ministers, Opposition leaders and private members alike—to say nothing of irresponsible labor spokesmen—made it routine practice to blame "businessmen" whenever the question of prices came up for discussion. Hiding behind a screen of vague generalities and offering no evidence in support of their statements, they impugned all businessmen in a manner that denied any opportunity for reply.

It has been different since the committee began its hearings. As soon as the politicians realized they could be called to document their accusations, name names and produce facts, the practice lost its popularity. The failure of men like Labor Minister Humphrey Mitchell and CCF Leader M. J. Coldwell to volunteer information to the committee confirmed the belief that they—and others—had been "talking through their hats." Even if the prices committee does no more than this, it has performed a worth-while service.

'Rating' of Products Important for ERP

Here Are Some Pointers for Canadian Business on Current Status of Our Part in European Recovery Plan—Who'll Fill $750 Million Gap?

BY KENNETH R. WILSON

WASHINGTON, D.C. (Staff)—A basic and portentous issue is under review here this week: How is Canada going to associate herself with the United States in working out the program for European recovery? As a supplier nation we would like a "partnership" if we could afford it. But we can't, so what's the alternative?

Alongside this is the more practical but still mystifying question: "What is ERP likely to mean to Canadian producers, farmers, manufacturers?

Neither question will be answerable immediately, because the answers aren't yet in the back of the book. But anyone who tries to do a little homework around here can find many useful clues.

1. If you have a surplus of anything you want to sell or which any one of the 17 ERP nations wants to buy, don't peddle it to the new Hoffman ECA (Economic Co-operation Administration) in Washington.

This ECA won't be doing any buying of itself. It merely administers, supervises and checks the paying out of a Congressional appropriation of $5.3 billions to the 17 recipient nations listed in U. S. public law 472 (Economic Co-operation Act of 1948.)

The place to go if you have goods or products to sell is to the recipient countries themselves.

2. Next points to check are (a) whether your particular product rates high enough on the list to get paid for if there aren't enough ECA dollars to go around; (b) whether your product is something which may now or later get hedged around with special provisions for curbing "off-shore" purchases, that is purchases made elsewhere than in the United States.

The point is that the U. S. Congress has only just now started its appropriation committee hearings. It won't be till after these committees have finished their work and Congress has actually passed these appropriations that the real and final conditions under which this money is to be spent, will be known. This may be several weeks yet. Meanwhile Congress has merely created the "authority," a framework of the structure; thus the position of a country such as Canada is admittedly vulnerable. Or, to say the least, is uncertain.

Where Does Canada Stand?

3. Underlying these matters which concern producers and businessmen directly, there are the fundamentals of the Canadian "position."

Canada is of course a supplying

(Continued on page 3, col. 4)

Nfl'd Business Marks Time Until Referendum Is Held

(Special Correspondence)

ST. JOHN'S—Business activity throughout Newfoundand is marking time, pending the outcome of the referendum to be held June 3 to determine the Island's future form of government.

Three choices are offered to Islanders:

(a) Continuance of the present Commission of Government, appointed from England.

(b) Return to Dominion status, as before 1933.

(c) Confederation with Canada.

Pending the voters' decision, both internal and external trade is showing a marked falling-off. Business houses are reported steering clear of importing large stocks of Canadian goods, in case the Island vote to become a tenth Canadian province. In that case, Canadian goods would be available duty-free, and merchants would take a substantial loss on goods previously imported, on which they had paid duty.

Shortages Foreseen

Business interests are also reducing present stocks of Canadian goods, for the same reason. This is contrary to the usual spring practice, when businessmen stock up to supply fishermen's summer needs. As a result, fishermen may find it difficult to fill all their summer needs, thus perhaps cutting down production in this country's main industry.

Then again, with stocks kept down, any sudden change in the world trade situation can be reflected here with devastating effect.

For example: last year flour stocks were kept at a minimum, as business expected a drop in prices. The Canadian Wheat Board suddenly stopped all flour shipments to enable it to review the trade situation; and immediately this country was seriously short of this vital commodity. With stocks being purposely kept low awaiting a decision on Newfoundland's political future, something of the same sort could easily happen again.

On U. S. imports, businessmen have not yet taken any action, but they state that they will probably start loading up on American goods, particularly barreled pork and beef. By doing this, they hope to offset any losses if Newfoundland joins Canada, because New-

(Continued on page 3, col. 5)

What Does Benelux Teach?

The Post Editor Reports on European Test

What are the problems facing an "economic union"? Where does industry stand? What happens to tariffs?

R. A. McEachern, editor of The Financial Post, at present in Europe, tells here the story of "Benelux"—its achievements, its hopes and its complications.

By RONALD A. McEACHERN

BRUSSELS: Partly because of the recent flurry of talk in North America about customs union between Canada and the United States, I have been examining Benelux, the customs union between Belgium, the Netherlands and Luxembourg. Benelux Phase I went into operation the beginning of this year.

I have discussed Benelux with many people both in Belgium and in Holland. To some it is "an example of unity in a divided world." To others—and most of these are in the business community—Benelux is alarming because of the drastic changes it will or may produce on traditional patterns of trade.

But there is no question whatever that all governments concerned are determined to push Benelux and to bring about a complete economic integration of the three communities. Depending on the speed of European recovery, Benelux officials believe that the program will be completed in three to five years.

Everybody here emphasizes that Benelux is not an instrument for bringing about political union. Paradoxically, however, the main achievement of Benelux to date has been in the political field. These three little countries (Belgium 8.5 millions, Netherlands 9.5 millions, Luxembourg 300,000) now go to international conferences and speak with one voice. United, they represent a very substantial economic strength.

On all major policy matters, there is now full consultation prior to action by any of the three governments.

Theoretical Economic Results

In the economic field, the results of Benelux to date are more theoretical than real.

A common tariff against the rest of the world and no tariff between the Benelux countries has been achieved. It went into effect the beginning of this year. But there are still many barriers to trade between the three countries.

Customs union between countries has a pleasant, easy sound to it. But let's see some of the things involved.

Holland, particularly, has a very strict control over imports because of her extreme dollar shortage. So there is not yet any freedom of trade between the Benelux countries, and import controls look as if they may last some years yet.

Officials here tell me they hope by January, 1949, to enact a free list which will wipe out import controls for certain products between the Benelux countries.

But all this touches merely the fringe of the problem of achieving full economic union.

Very obviously, in a free trade area production costs must be roughly similar. That means that the Benelux countries are now working toward equalization of wages. Before the war, Holland's wages were higher than the Belgian. Now the situation is reversed because of the inflation in Belgium and because of the high degree of success achieved by Holland's wage and price control policy. One estimate I was given is that there is now about a 20% differential in the real wages of Belgians and Hollanders. The expectation here is that equalization will be achieved by Belgian wages declining and Netherlands' wages rising.

Taxes of every kind are another important cost of production. So the Benelux countries are proceeding to work out uniform tax policies. This involves sales taxes, excise taxes, income and other taxes. It's an enormous task they are undertaking.

The big rumpus here over beer is a good illustration of what is involved. The Hollanders drink very little beer, about 15 litres per head per year. The Belgians are probably the world's most voluminous beer drinkers, 180 litres. The Belgians want cheap beer, and even a modest excise on it is immensely productive. Holland wanted a severe excise on beer. It was a big and noisy row until Holland finally capitulated and agreed to adopt the low Belgian excise rate.

In both Holland and Belgium, social security legislation is very comprehensive. The taxation to provide for it is a big cost of production. So here is another big field in which equalization must be achieved. Holland will have to increase some of its benefits.

Just recently achieved was the first step in this field. A Belgian who works in Holland, for instance, will continue to receive his pension and other benefits when he retires in Belgium. In other words, all social security benefits in the Benelux countries can be enjoyed regardless of na-

(Continued on page 9)

PRICES

Was a levelling off in prospect for prices in the U. S.?

Many observers thought so following announcement by U. S. Steel of price cuts amounting to $25 millions a year saving to consumers. It was the first break in steel prices and it amounted to an average of $1.25 a ton.

It would, said U. S. Steel, help consumers avoid higher prices for end products, in some cases bring about a reduction in prices.

Close on this announcement Westinghouse came out with 3% to 10% cuts in a wide variety of electrical apparatus. But these cuts could be taken more as a competitive answer to similar cuts made last week by General Electric (The Financial Post, April 24) than as a direct result of U. S. Steel's price cuts.

At the same time there was every indication that the sum total of these price cuts would mean a lessened chance for third-round wage boosts currently being sought by unions in many industries.

The steelworkers, in fact already knew that no such increases were coming for them and would continue another year on present contract. The electrical workers were at stalemate in their negotiations.

The auto workers had still to receive a new wage offer. Chrysler had offered six cents but this the company had now withdrawn.

Obviously it's still to early accurately to assess the trend in detail but most U. S. observers agreed that the nation may well be at a turning point in its inflation; there is no prospect either of a precipitous general decline in prices; the U. S. Steel move (though other steel firms at midweek had yet to follow suit) was a stabilizing move of major importance.

What about ERP purchases? Said Paul Hoffman, European Cooperation Administrator: "No increases in living costs should arise. Food exports for ERP will be lower than last year."

Some reflection of this feeling was also seen in wheat and cotton futures which for three weeks had been on a lively climb, buoyed upwards by anticipation of ERP purchases, defence needs.

May cotton, at midweek, had slumped almost as much in the week Tuesday to Tuesday, as it had gained in two previous weeks' trading. From 38.38c on the 20th it had fallen to 37.53. There had been a fair amount of profit-taking sales and all evidence

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Land Assembly Building Lots Cut House Cost

New Govt.-Business Program Paying Off For 2,000 in 7 Cities

For a lucky 2,000 housebuilding Canadians in seven major cities, the cost of good, fully-serviced suburban land is taking a sharp drop this spring.

Responsible for the "break" is a new cheap land assembly program, latest dividend from the government-business partnership in housing. Joint sponsors are Ottawa's Central Mortgage & Housing Corp. and a number of big lending institutions, mainly life insurance companies.

Under a 1947 National Housing Act amendment, Central Mortgage guarantees the lending company against loss in buying raw land on city fringes. The company cuts it up into wide lots, builds streets and drains, sewers and watermains and then sells it at virtual cost to builders and homeseekers. "Profit" at 2% a year barely covers overhead.

So far, seven such developments are under way, one each near Montreal (Mutual Life, 146 lots), Ottawa (Canada Life, 91), Toronto (Sun and Mutual, 395), Hamilton (London Life, 154), Winnipeg (London Life, 205), Edmonton (North American, 75), and Vancouver (Sun, 96).

Coming soon, The Financial Post understands, is an 850-lot development near Toronto by Investors' Syndicate. This, if it materializes will be largest in the program and it is further understood the developer will arrange to hold adjoining property for possible later doubling of the subdivision. Aim here, it's understood is a price per foot of under $15.

Builders and observers consider the whole program has exciting possibilities for cheaper houses. In it the Government controls, not only the final selling price of the lot to the homeowner but also the price of the house itself.

The new land assembly scheme is giving neighborhood planning its first big boost in the mass building and low-cost housing field—exactly where the need is greatest.

Mortgage Insurance Incentive New Plan For Rental Housing

Ottawa's Central Mortgage & Housing Corp. plans to add mortgage insurance as stimulant to rental housebuilding by private interests. This, the government agency hopes, will offset continued rent control in 1948; counteract construction costs more than doubled since 1939. It amounts to tangible official recognition that (a) double depreciation for taxes has failed to boost private building for rent, and (b) more rental housebuilding is the need of the hour.

Due soon before the Commons is a bill to amend the National Housing Act which would:

1. Authorize "approved lending institutions"—mainly the big life insurance companies—to make loans to owners of rental housing projects, not exceeding 85% of estimated cost;

2. Authorize Central Mortgage to guarantee an annual return in rentals of "an amount to be determined by the Corporation" for a period not exceeding 30 years; and (b) make loans to owners of rental housing projects if such loans are not being made available by private lending institutions.

The bill, in addition would authorize (a) approved lending institutions to buy mortgages held by Central Mortgage; (b) the Governor-in-Council to transfer to the Corporation lands vested in the Crown in right of Canada. It also would authorize the Governor-in-Council to provide for dissolution of Wartime Housing Limited and vesting in Central Mortgage of power to provide rental housing out of money which may be appropriated by parliament for the purpose.

Pace of Business

All major stock groups, except western oils, moved higher in latest week; but rise much smaller than preceding week. Rise in Canadian industrials in upward movement of recent weeks higher on percentage basis in Canada than in U. S. Dow-Jones industrial index at N. Y. reacts slightly after further marked rise.

Average yield of all groups of dividend-paying stocks on Toronto Stock Exchange declined to 5.44% on April 26 from 5.59% a week earlier (Moss Lawson & Co. tabulation); contrasts sharply with earlier high of 5.89% for year.

New housing units financed under National Housing Act first quarter 2,371, up 167% from year ago. March 1,203 units; up 190% from year ago, 91% from month before.

Department store sales showed an increase of 9.6% in March over March, 1947. Household appliances and electrical supplies showed extreme 30.4% gain; radios and musical instruments, a 15.6% drop.

Shipments of primary shapes from steel mills, excluding producers' interchange, totaled 203,779 net tons in February (203,924 February, 1947).

Stocks of creamery butter amounted to 2,334,693 lb. in nine principal cities at April 16, off slightly from 2,882,937 lb. end of preceding week. Holdings by cities on latest date with April 1 holdings in brackets, follow: Quebec, 37,874 (56,142) lb.; Montreal, 520,440 (660,812); Toronto, 396,566 (496,653).

Car loadings totaled 74,681 cars in week ended April 17; 77,789 cars the previous week; 72,813 cars same 1946 week.

Cheques cashed showed a 9.4% rise to $6,277 millions in March over March, 1947; February total was $5,551 millions. Ontario showed 17.1% gain in March for greatest divisional gain; Quebec showed a drop of 0.1.

Will Steel Shortage Slow Our Industry?

U. S. Strike Puts Some Firms on Day-to-Day Basis — Firm Promises for Third Quarter Delivery Scarce — Auto Industry May be Hit

By RONALD WILLIAMS

Layoffs and plant shutdowns in the third quarter of the year or perhaps sooner because of a shortage of imported U. S. steel are a distinct possibility, a number of leading manufacturers warned this week.

So far the U. S. coal strike and its disastrous effect on U. S. steel output hasn't had time to hit Canada. But already some firms are living on a day-to-day basis, not knowing where their next shipment of steel is coming from.

"What's worse," a leading manufacturer told The Post, "we can't get any firm promises for delivery for the third quarter. We're all right at the moment; we're using steel rolled a month or six weeks ago — before the strike. All we can do is hope and pray."

At the moment it seems that only imported U.S. steel (about 30% of total Canadian consumption) will be affected. Canadian producers like Stelco and Algoma will likely pull through without too much difficulty. During the coal strike, they dug into their reserves. Now their coal suppliers are back into production.

Output is High Here

At present Canadian plants are operating at about 98% of capacity, a remarkable achievement. U.S. output just before the coal strike was 97%. The strike cut it to 54%. Last week it was up to 70% and climbing steadily. But lost forever were 1.5 million tons of steel.

This, coupled with additional demands because of the Marshall Plan and increased U.S. defence requirements, has considerably darkened the steel picture. Iron Age says supply is tighter today than at any time in the last two years. Talk of controls and allocations is being heard again.

The automobile industry appears to be worst off, as all its body panels and other cold rolled sheet steel have to be imported. Shortages have already resulted in General Motors laying off 200,000 American workers. Chrysler has begun to follow suit.

In Canada, G.M. has managed to keep going but no one will make any predictions as to how long it will last.

"We have our fingers crossed," the Post was told. "We're benefiting from the fact that some G.M. plants across the line are shut down tight. There isn't enough to keep them going but so far there's been enough to keep us and a few other plants operating. How long that will last we don't know."

Ford and Chrysler were in much the same position. In his annual address to Ford shareholders, president D. B. Greig said there were no immediate effects "but the over-all loss of both coal and steel tonnages may catch up with us in weeks to come. Some of our supplies, particularly in the U. S., are feeling the pinch . . . and may not be able to meet our full requirements."

No Delivery Assurances

An official of Gurney Foundries, Montreal and Toronto, was anything but optimistic. "Not only can't we get any assurances on deliveries from our American suppliers, but we can't get coke for our own smelting purposes. We're okay for a while but it will take a miracle to prevent wholesale shutdowns."

An official of Northern Electric: "We're beginning to feel the pinch already. We're having trouble getting pipe. It's going to be a lot worse before it's better."

From General Steel Wares in Toronto, came much the same story. About 70% of GSW steel requirements (for stoves, ranges, etc.) come from the U.S. Even as it is Canada is not getting a fair deal from U.S. mills, a spokesman said. Now, with still less steel to go around, he predicted Canada would get even poorer treatment.

An official of the Philco Corp. of Canada said the strike had "thrown a monkey wrench" into plans to make Philco refrigerators in Canada.

"We were just about set to start production; now the whole thing has been shelved," he said. "We were counting on our parent firm for steel to get going. Now it hardly has enough to keep its own plant operating. That lets us out for the time being."

Inside News

Emigration Red Tape

Thousands of Netherlanders are eager to migrate to Canada today, but red tape in both countries prevents many from doing so. R. A. McEachern, editor of The Financial Post, now in Europe, outlines some of the many hurdles which face prospective migrants. (p. 13).

Synthetic Gas, Oil?

The grim spectre of gasoline and oil shortages continues to haunt Canadians. Can science and synthetic products conquer the threatened petroleum shortage? The Financial Post weighs pros and cons of an acute question in our future economy (p. 13).

Compulsory Savings?

Canadians don't want a revival of compulsory savings, according to a large majority of those answering a Financial Post questionnaire. They contended that taxes should be reduced as soon as possible, instead of building up a backlog for refunding later (p. 7).

1948 Dividends Up

Dividends payable by Canadian corporations in May (as declared to last week end) total $9,331,465, against $10,985,597 for the same month of 1947. Indicated payments for the first five months of the current year are $145,236,730, an increase of 22% over the corresponding 1947 period (p. 9).

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Manitoba Case Being Appealed By Wheat Board

An appeal will be entered against the judgment of Chief Justice E. K. Williams of the Court of King's Bench of Manitoba declaring ultra vires and invalid PC 1292, under which the Canadian Wheat Board demanded delivery of oats and barley in Canada last year, The Financial Post is informed.

Instructions to enter the appeal in the Manitoba Court of Appeal were issued on behalf of the Government from Ottawa. The appeal is being entered on the grounds that the presiding judge erred on a point of law, The Post understands.

While the specific effect of the judgment was to wind up a long case in which J. J. Nolan of Chicago secured possession of 40,000 bushels of barley which he had refused to deliver to the Wheat Board under the terms of the order-in-council, the implications of the judgment are of widespread interest. Chief Justice Williams ruled that there was not a "national emergency" which would warrant passage of the order-in-council. (The Financial Post, April 24.)

Municipalities Note High Court Decision

Canadian municipal authorities took sharp interest in the Supreme Court decision at Ottawa this week. The judgment upholds a bylaw passed 18 months ago by the council of Long Branch, near Toronto, setting aside an area for exclusive residential use. An Ontario Supreme Court judge had held the bylaw should be quashed because one section (on penalties) was invalid. The higher court's ruling is that the bylaw stands, with only the invalid section cut out.

Spring and Golf Togs Go Together!

Out on the fairway . . . puttering around in the garden . . . or fishing at the lake . . . on nearly all such occasions, you'll find a WINDBREAKER's the thing to wear! And you'll find EATON'S vast windbreaker selection a veritable treasure-ground . . . no matter what style, weight, shade or material you seek.

EATON'S

Andian National Corp. Reduces May Dividend

A quarterly dividend cut from 25c to 15c a share payable May 26 has been announced for Andian National Corp. This is said due to reduction in income consequent upon rising prices and wages and a fixed tariff, the present uncertain situation in Colombia and steady reduction of company's surplus in recent years to pay dividends. In May and November last, 25c a share was payable.

VIAU LTD. announces that total shares now outstanding are 6,116.

Bonds and Stock Offered Of Western Plywood Co

Public investment in a relatively new B. C. company—Western Plywood Co., Vancouver—is being invited with the offering of bonds and stock by Pemberton & Son Vancouver Ltd., James & Copithorne Ltd., H. J. Bird & Co., Samis & Co. and Hagar Investments Ltd.

A new issue of $500,000 4½% first mortgage Series A bonds, to be dated May 1, 1948 and to mature May 1, 1958, is being offered at par and accrued interest to yield 4½%. Proceeds are to pay off a $150,000 bank loan, to pay $120,000 indebtedness to a shareholder, to discharge the company's indebtedness to its bankers on current account and for other corporate purposes.

Also offered are 45,000 class A 50c cumulative preferential dividend shares no par value and 22,500 Class B common shares no par value, at $9 for a unit consisting of one Class A share and a half a Class B share. On the basis of the 50c A share dividend and expected 1948 dividend of 20c on the Class B shares, the yield on the units at the selling price would be 6.66%. The offering of these shares does not represent new financing by the company, having been purchased from shareholders.

Incorporated July 7, 1944, Western Plywood Co. started construction of a plant at Vancouver in March, 1945. Production of plywood on a limited scale was commenced on Nov. 1, 1945. Since then the company has carried on the production of veneers and the manufacture therefrom of high class birch, poplar and mahogany plywood.

Panels are produced up to nine feet in length and 4½ feet in width, and range in thickness from 1/16 of an inch to 1⅛ inches. Production capacity assuming 250 working days, is approximately 27 million square feet of ¼ inch equivalent per year, the prospectus states.

The company pioneered a plywood construction in which fir and other coniferous B. C. woods are used to make a stiff, warp-resistant and light core and this core is covered with poplar and birch hardwood for veneers.

The company's products are actually complementing and not competing with the existing coniferous and all-hardwood plywood lines. Its panels are marketed at a price level lower than the all-hardwood plywood products, nearest the price level of Douglas fir plywoods and the market reaction, both domestic and export, has been most satisfactory, President John Bene states.

The company owns small stands of fir in the Quesnel area and carries on logging operations on government lands. Negotiations for a more extensive supply from the government are under way and when completed it is the company's intention to build a veneer plant at Quesnel which will be complementary to the Vancouver plant, Mr. Bene states. A site for this purpose has been purchased.

In 1945 the company invested $125,000 in the share capital of International Plywoods Ltd. and contracted for a management fee for the first five years of that company's operations. The company has recently sold these shares for $410,000 for delivery May 14, 1948 and the management contract was terminated.

Capitalization will consist of $750,000 authorized, $500,000 outstanding, 4½% first mortgage sinking fund bonds, 80,000 authorized and issued no par value Class A shares and 132,000 no par value Class B shares. A $300,000 7% preferred stock issue was redeemed on March 31, 1948 at 110% by issuance of a note payable due May 15, 1948.

Net earnings after depreciation and taxes were $236,025 for the year ended Oct. 31, 1947, as compared with $74,462 for the year ended Oct. 31, 1946. Net earnings amounted to $76,558 for the four months ended Feb. 29, 1948. Interest on the bonds to be issued will amount to $22,500 for the first year, decreasing as the annual sinking fund of $50,000 becomes operative.

President and General Manager of the company is John Bene, age 38. After graduating as a mechanical engineer from the University of Budapest, he gained experience in various plywood plants throughout Europe mainly with the Veneer & Plywood Works Ltd. in Hungary. He came to Canada in 1938 and late in that year became managing director and a shareholder of Pacific Veneer Co., New Westminster, which plant was designed, equipped and operated by Mr. Bene until Aug., 1944 at which time he left to form Western Plywood Co.

Executive Vice-President is Leslie L. Schaffer, age 48. He was formerly managing director and partner of Cardo Woodworks Ltd. largest furniture plant in Hungary. From Nov. 1940 to Aug. 1944, he was with Pacific Veneer Co.

Other directors are Elwin E. Gregg, assistant general manager and vice-president in charge of log supply; Phillip T. Rogers; Forrest Rogers and Alan M. Robertson. The latter three are officers and directors of B. C. Sugar Refining Co.

Western Plywood employs about 165 persons in the plant and an office staff of about 25.

News of Advertising

John A. Cairns & Co. Inc. have been retained by The Paton Manufacturing Co. (Montreal and Sherbrooke, Que.) to effect a Canada-wide survey of market conditions in the men's apparel field at both manufacturing and retail levels. Interviews will be conducted in Halifax, Montreal, Toronto, Winnipeg, and Vancouver on price trends, consumer preferences, and merchandizing methods.

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Cockfield, Brown & Co. Ltd. uses Canadian appeal in testimonial for Solitair Cake Make-Up. Photograph of Iva Withers, described as "pride of Winnipeg" and now leading lady of the Broadway musical comedy "Carousel" (playing Toronto in early May) appears in new series of weekend rotogravure advertisements for Solitair. Product is made by Campana Corporation, makers of Campana's Italian Balm. John A. Huston Co. Ltd. Toronto, Canadian distributors.

• • •

O'Brien Advertising Ltd. appointed to direct advertising for Western City Ltd., investment securities dealers of Vancouver. Initial advertising will promote availability to interested parties of Western City's monthly "Clients' Letter," supplying significant data on general market picture. Advertisements in metropolitan daily newspapers will include special offerings and card type advertising.

• • •

Harold F. Stanfield Ltd. appointed to handle Canadian advertising and sales promotion of Lucien Lelong. Campaign now under way is aimed at university and high school students, covering such perfumes as Tailspin, Indiscrete and Sirocco in "working-your-way-through college" and "Rich Uncle" sizes.

• • •

Cockfield, Brown & Co. Ltd. prepared advertisement for International Nickel Co. of Canada Ltd. which won first award in a contest conducted by the Industrial Advertisers' Association of Ontario. Three judges chose entry headed "Specify Nickel Alloy Cast Iron" on basis of sales value, attention, interest, and desire value.

• • •

James Fisher Co. Ltd. has prepared new campaign for Amsco welding rods and filler metal shapes, products of Canadian Ramapo Iron Works Ltd., Niagara Falls. Reproduced in vivid yellow, full-page advertisements in trade and technical publications will illustrate uses of particular types of rods and fillers.

• • •

Ronalds Advertising Agency Ltd.'s staff in Toronto last week followed the earlier example of the Montreal staff and held a celebration marking 25th anniversary of the company. Russell Ronalds, founder, was presented with a sterling silver serving tray, companion piece to the tray presented him in Montreal.

• • •

Young Men's Advertising and Sales Club of Toronto elected Harry T. Davis as 1948-49 president. He's account executive with Stevenson & Scott Ltd. Other officers: Ralph G. Morley, vice-president; F. H. Farr, secretary; Bruce R. Grant, treasurer; Willis C. Alguire, Don Banks, Reg Eldridge, Milton Patterson, and Jack Young. Mr. Young, Goodyear Tire and Rubber Co. Ltd., was voted winner of Knox Award as "most valuable member of the club." Fred H. Hatch is retiring president.

Brazilian Tea For Canada? $4 Million Market Sought

Ever tasted matte? Brazil is determined you should, and seeks to sell more than $4 millions' worth a year here as part of her campaign to straighten out a $20 million trade deficit with Canada.

Matte is a Brazilian tea, a broad leaf black variety as compared with the long leaf India and Ceylon varieties. The trade is going to be invited to sample it at the International Trade Fair (CNE, Toronto May 31—June 12).

This will be the first time Brazil has made any serious effort to enter the Canadian market with this new food product, and the first time she has had sufficient production to warrant the effort.

A big promotion campaign is planned in Canadian newspapers and magazines, says Leo Reiter, Brazilian trade representative now in Toronto on behalf of 20 Brazilian firms who are exhibiting at the Fair and seeking import agents for the product.

Boost Coffee Sales Also

At the same time Brazil is seeking to extend her coffee sales in Canada. Last year sales amounted to $4 millions. Mr. Reiter says this can be quadrupled, and declares that in both products, prices are considerably below those of other suppliers.

Under present conditions, trade opinion is that Brazil will have no difficulty in increasing coffee sales. Prewar, Canada took most of her coffee from British East Africa. Today those supplies, needed in Britain and Europe, are difficult to come by.

At the same time Canadian coffee consumption is increasing rapidly. In 1922 it was 20 million lb. In 1939, 45 million lb. In recent years it has been averaging 65 million lb.

Chief difficulty in trade with Brazil is her own dollar difficulties, but, says Mr. Reiter, who served the Brazilian Ministry of Trade and Commerce as an economic adviser, barter deals can be and have been arranged.

Latest such deal is Brazilian oranges for B. C. apples.

Opening up of direct steamship services between Canada and Brazil, says Mr. Reiter, has led to an increased market in the latter country for Canadian goods — and, but for dollar difficulties, Brazil could take a much greater quantity of Canadian autos, machinery, railway equipment, food products, textiles, luxury goods and many other commodities.

DON'T SELL THOSE BONDS!

IF YOU ARE SHORT OF CASH...

arrange a low-cost loan at the B of M.

You saved a long time for those bonds. Don't let your investment go now . . . you'll find it hard to replace.

At the B of M you can borrow against your bonds *quickly and easily*—and repay your loan in easy instalments. The low interest rate will surprise you.

Ask us for details today.

"MY BANK" B of M

BANK OF MONTREAL

working with Canadians in every walk of life since 1817

INDUSTRIAL EXECUTIVE

Exceptionally broad commercial experience covering all phases of office routine, sales administration, imports and exports. Several years in senior executive position with manufacturing organisation. Keen disciplinarian with ability to get things done. Interested only in position of responsibility with opportunity for advancement. Age 39, available May 1st.

Box 229, The Financial Post, Toronto

Automotive Jobbing Business WANTED

Well known British firm manufacturing complete range of garage equipment would like to acquire controlling interest if possible, or failing that minority interest in Canadian jobbing business. First class references to be given on both sides. Write in strict confidence per airmail to:

Eric Arnold, Director, Stowe & Bowden Ltd., Advertising Agents, 3 Parsonage, Manchester 3, England.

$200,000

Available for the purchase of an established and profitable manufacturing business. Our client would be interested in outright cash purchase or controlling interest.

Concern should have proven record of earnings with possibility of expanding sales. If a larger proposition warrants more capital, it is available.

N. S. BROOKE, MANAGER
INDUSTRIAL DEPARTMENT—GUARDIAN TRUST COMPANY
618 ST. JAMES STREET W., MONTREAL, QUE.

WANTED TO PURCHASE

Entire assets or controlling interest of Manufacturing Business in Central Western Ontario area. Concern should have proven profit record for past ten years with distinct growth possibilities. Investment of approximately $100,000 preferred but additional funds available if conditions warrant.

If desired, will consult with your attorneys or accountants in the first instance.

BOX 219, THE FINANCIAL POST, TORONTO 2, ONT.

SALES EXECUTIVE

Available for position with responsible company.

Proven ability—high caliber, age 47, good health, with initiative and ability to formulate and follow up sales and advertising programs.

Familiar with budgeting and administrative controls.

Residing in Toronto. Excellent references.

APPLY BOX 236,
THE FINANCIAL POST, TORONTO

CONSOLIDATED CENTRAL CADILLAC MINES has received payment for Apr. 15 installment of 32,000 shares at 17½ cents a share. Issued capital — 3,829,900 shares.

GUYANA MINES advises that an additional 14,000 shares have been allotted to two subscribers, both domiciled in Managua, Nicaragua, at 50 cents a share. Issued capital is 3,893,739 shares.

W. H. Bosley & Co.

Toronto's Leading Real Estate Brokers

28 ADELAIDE WEST
WA. 1031

Outstanding Opportunity

FOR SALE
OFFICE BUILDING

Eight storey office building, located in heart of financial district; possession of approximately 17,000 square feet, including ground floor and vaults, in approximately 4 months. Balance well rented. Excellent banking, insurance or financial location. Confidential exclusive listing.

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Real Estate
Commercial and Industrial Properties for 21 years
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CONSULT A. E. LePage REALTOR

Commercial and industrial buildings and acreage—city and town homes—apartments—farms—summer properties—country estates—also Vancouver, Victoria and British Columbia properties.

TORONTO OFFICES
Head Office — 320 Bay Street — AD. 8661
Kingsway Office—2832 Bloor W.—LY. 7593
North End Office—1045 Avenue Rd. MA. 4451

For nights and holidays see salesmen's names and telephone numbers in the telephone directory under A. E. LePAGE.

DOWNTOWN WHOLESALE BUILDING FOR SALE - $95,000

Light 3 sides; 2 elevators; H.P. steam; 2 boilers; 6 floors and basement; about 25,000 square feet. Location between Bay and York, south of King. Prompt action advisable. Call

H. L. ROGERS
REAL ESTATE BROKER
10 ADELAIDE ST. EAST ELgin 1312

FOR RENT — 7,000 SQUARE FEET
YONGE AT ST. CLAIR

Advertiser will have for occupancy about July 1st 7,000 sq. ft. of attractive showroom and office space fronting on Yonge St. This space is all self-contained, on second floor, and includes a sizeable portion suitable for storage or manufacturing with shipping facilities. Long term lease given to responsible parties. Enquire

HOME UTILITIES LTD.
1391 YONGE ST. TORONTO
Or Through Your Own Broker

FARMS - FARMS - FARMS

C. R. PURCELL CO.
REALTORS TORONTO

"The best investment on earth is the earth itself"

— $13,000 —

Stone home—Spacious 9 rooms, four fireplaces. Double garage, very picturesque surroundings, overlooks river. Maples, shrubs, flowers. Numerous farm buildings. Rolling pasture land, woods with trout creek. Just suit some city man.

WA. 2611 — 169 YONGE ST.
"We Sell the Earth"

FOR SALE

Excellent location in Annapolis Valley (Grand Pre Corner) large new rebuilt building contains store, postoffice and two apartments above, has tiled bathrooms, insulated, hot water heat, three car garage. Property, stock and equipment could be financed for $12,000.00 cash.

For full details and reason for selling write

GRAND PRE A. A. TURNER KINGS CO., N.S.

"INDUSTRY"

Follow the trend to "Etobicoke"—Industrial sites from 3 to 20 acres with or without rail siding facilities. Large frontages along the Queen Elizabeth Highway. For further information on this area call

J. A. WILLOUGHBY & SONS
Realtors
156 Yonge St. — Mr. A. G. Sanagan AD. 0604

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REAL ESTATE
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PROPERTY MANAGEMENT
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SALES AND RENTALS
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RESIDENTIAL PROPERTIES
APPRAISALS
357 BAY STREET
TORONTO
ADelaide 0685

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

Agricultural Institute of Canada—J. C. Hackney, British Columbia, director.

Aikin-McCracken Ltd. (Toronto)—Wilfred A. McCracken, president; Earl Aikin, vice-president.

Brazilian Traction, Light & Power Co. — Edgar G. Burton (Toronto) a director.

Bank of Montreal — Willard T. Hodgins, assistant superintendent, Ontario division (Toronto).

Canadian Industries Ltd. — R. G. Beck (Montreal), a vice-president.

Canadian Credit Institute (Montreal Chapter)—F. H. Bydwell, president.

Canadian Bank of Commerce — Clement J. Moreau (Montreal) superintendent, Quebec branches.

Canadian Automotive Wholesalers' Association (B. C. division) — T. R. Fyfe, chairman.

Canadian Forestry Association (B. C. branch) — R. S. Laird, president; J. D. Gilmour, vice-president.

Canadian Federation of Mayors & Municipalities — George Mooney (Montreal) executive director.

Corporation of Professional Engineers of Quebec — John B. Stirling (Montreal), president.

Canadian Authors Association—Will R. Bird (Halifax) president; Thos. H. Raddall (Liverpool, N.S.), Gwethalyn Graham (Montreal), Jas. T. Talman (London), Olive Knox (Winnipeg), Mildred Valley Thornton (Vancouver) vice-presidents.

Copp Clark Co.—T. F. Burton, E. T. Lindsey, directors.

Canadian General Electric Co.—D. L. McLaren, manager, generator division: H. Rose, manager switchgear division; V. B. Ross, manager, transformer division; A. G. Turnbull, manager, control division; J. D. Willis, manager, industrial division; I. M. MacLean, manager, application engineering division; S. J. Beaton, staff member, industrial heating section; E. H. Despard, manager, permanent magnet section, chemical division; H. S. Dawson, on special assignments, electronics division.

Ford Motor Co. of Canada—Rhys M. Sale, executive vice-president; Robt. S. Bridge, J. M. Cochrane, Gregory G. Kew, vice-presidents.

General Motors Products of Canada Ltd. — L. J. Patterson, general manager, western zone (Regina); E. C. Jamieson, assistant manager, western zone.

General Bakeries N. B. Ltd. — Joseph C. Conrad, manager, Saint John.

Hammond & McDonough (Edmonton) — Ross M. Hammond, Walter McDonough, partners; William Custock, salesman.

Lever Brothers Ltd.—B. G. Jackson, a director.

London Life Insurance Co. — Albert L. Beyer, supervisor, Okanagan district (Kelowna).

McGavin Bakeries Ltd. — Stuart Johnstone (Vancouver) a director.

Montreal Cottons Ltd. — Archibald F. Baillie, a director.

National Drug & Chemical Co. of Canada — Harold M. Long (Montreal) a director.

National Office Management Association (Toronto Chapter) — F. E. Armstrong, president; W. M. Lane, vice-president; R. L. Hart, corresponding secretary; H. A. E. Alexander, recording secretary; G. F. Plummer, treasurer.

Quebec Central Railway Co. (and Quebec Central Transportation Co.—N. R. Crump (Montreal) president; D. S. Thomson (Toronto) vice-president.

Steel Co. of Canada (Hamilton)—W. Taylor-Bailer, a director; R. M. Kelday, assistant to president.

Sun Life Assurance Co. of Canada — Peter S. Mathewson, service supervisor, B. C. branch office.

Southam Co. — Arthur A. Coghill, a director.

Snap Co. (Montreal) — W. C. Stannard, vice-president, and general manager (and director of merchandising, Conant Paint Co.).

Tandy Editorial Services (Toronto) — Norman Jones, manager photographic department.

Toledo Scale Co. of Canada — E. H. Predhomme vice-president and general sales manager.

United Steel Corp.—W. E. Bannerman, R. Alexander Macfarlane (both of Toronto) directors.

Woodland Dairy Co. (Edmonton)—Waldo F. Empey, a director.

Wool Combing Corp. of Canada—W. Kaspar Fraser, a director.

DIVIDEND NOTICES

Bruck

BRUCK MILLS LIMITED

DIVIDEND NOTICE

Notice is hereby given that a regular quarterly dividend of 30c per share on the outstanding common stock of the Company has been declared payable on June 15th, 1948, to shareholders of record at close of business May 14th, 1948.

By order of the Board
H. STERN,
Secretary.

Montreal, April 23, 1948.

IN STOCK
DESKS, FILING CABINETS, LOCKERS

A. WHITE & CO.
OFFICE OUTFITTERS
383 Adelaide St. W. AD. 2176
TORONTO, ONTARIO

CHINESE CASHMERE
PULLOVERS

From Peter Scott . . . Hawick, Scotland!

$21

Right for sports, right for lounging! Hand-framed, full-fashioned pure Chinese cashmere pullover with ribbed waist and cuffs . . . crafted by Peter Scott of Hawick, Scotland. As fine a pullover as any man could hope for . . . soft, luxurious, dressy! Horizon blue, Riff red, navy, natural, flannel grey or peat brown. Sizes 36 to 44. Each $21

Sleeveless Slipovers of Chinese cashmere by Peter Scott. Each 13.50

Simpson's TORONTO
The Store for Men

CONSTRUCTION TRENDS

By CLIVE CHATTOE

Ontario Offers 2nd Mortgage Loans Splits Down Payment on Small Home

Starting Monday, May 3, Ontarians of limited means but acceptable credit rating can buy a small new house with a down payment as low as $950 or $1,000.

On that day, Ontario Planning Minister Dana Porter, in Toronto, will open books of a new provincial crown company to lend direct to such home buyers several millions of dollars on 20-year second mortgage at 3½% interest rate. The effect will be to cut present down payments in half on newly built low-cost houses where a first mortgage has been arranged under, or on terms comparable with the National Housing Act.

This plan was announced this week when the minister gave initial details to the Toronto Metropolitan Home Builders' Association.

At first, the Ontario Government planned simply to guarantee larger mortgage loans by private companies. That's still part of its new housing aid program where Ontario-incorporated lending companies (and such institutions as Investors' Syndicate) are concerned. But Queen's Park now realizes that to get Dominion-incorporated lenders into the guarantee scheme—particularly the big life insurance firms which finance most of Canada's housebuilding—will require Dominion statute amendments with their consent and, in Mr. Porter's words to the builders this week: "may take some time."

• • •

Can Buy $9,000 House For Only $1,100 Down

Here's how the Ontario Planning Dept.'s second mortgage loan will work for a new house priced by the builder at $9,000 and with first mortgage financing under Ottawa's NHA:

Builder's price	$9,000
Appraisal value, say	8,000
NHA 1st mortgage about (20-year amortization)	6,800
Monthly, plus taxes, about	43
Ont. 2nd mortgage	1,100
Net down paym't about	$1,100
Net monthly, plus taxes	46.50

Seven conditions are laid down. Ontario's new second mortgage loans:

1. Will apply only to newly-built houses.
2. Will apply only where a first mortgage has been arranged amounting to a "reasonable" high proportion of the sale price.
3. Will amount to one-half of the present down payment, but not exceed $1,250.
4. Interest at 3½% a year will be payable monthly.
5. Principal will be repayable within 20 years in equal monthly amounts.
6. Borrower may repay all or any part of the principal without notice or bonus.
7. In the event of resale of the house for more than the initial price (at any time within the 20-year life of the mortgage), the excess, less agent's commission and legal fees of the seller, will be payable on account of outstanding principal.

Larger and more expensive houses won't qualify. Besides the condition that, to get an Ontario second mortgage the house must have a "generous" first mortgage, another important proviso is that houses selling for more than $11,000 or $12,000 are "out."

U. of T. Bursaries Assist 700 Students During Year

Are Canada's universities "rich men's schools?"

University of Toronto, seeking an answer to the criticism, added up the funds given to help out students, and found that in the 1947-48 year $137,850 had been distributed among 700.

The total is indicative of the broader scope of the University's activity, a scope which will be expanded and improved in the future, judging by plans on which the University's current appeal for $6 millions is based. The Ontario Government has pledged an additional $7 millions, and the total will be used for a broad program to provide additional accommodation for classes residences and research.

In their loans to students, the University considered those who (a) require financial assistance, and (b) are reasonably serious about their work. (This doesn't include scholarships which are "won" regardless of financial need, nor loans which must be repaid).

Most of the sum is provided by the Dominion and provincial Governments under what is known as "Student-Aid Scholarships and Bursaries." The current academic year has seen $72,850 granted from this source (two thirds of it in the "bursary" category).

On Basis of Need

Though both terms "scholarship" and "bursary" are used to designate this Dominion-provincial aid, it is clearly provided that awards shall be made only to those "who, without financial assistance, could not continue their formal education." A certain academic standing is required; yet the chief distinction appears to be that the scholarships are a fixed amount granted for the first year of the student's university career ($200 for those within commuting distance, and $400 for nonresidents), while bursaries are variable amounts (subject to similar maxima).

The balance of $65,000 was provided out of funds voted by the University's Board of Governors. This sum was spread around all faculties, largely on an enrollment basis.

Complicated sufficiently by the variable "conditions of award," anyone wanting to tackle the accounting job of adding up the value of scholarships would also run into this difficulty: not all sums are disbursed via the university, since some clubs prefer to hand over the money directly to the winner. Some community service clubs help out a native son of the district, and the university may hear of such aid only incidentally.

Lacking precise knowledge, it is estimated that the total amount of assistance given University of Toronto students — whether it be scholarships, bursaries, prizes, loan, or what else — would be roughly double that already indicated; that is, around $275,000 for 1947-48.

PRICES

(Continued from page 1)

pointed to ERP nations delaying their purchases to drive prices down.

May wheat fell similarly—from $2.52 on the 20th to $2.40 Tuesday. Rains in the wheat belt, where drought had been feared likely, freer marketings by farmers were reasons for the decline.

On the food front:

Meat is up. Housewives this week were finding choicer beef cuts five to seven cents a lb. more in most areas. Round roasts, which until two weeks ago had been steady since January's end at 48c-50c lb., now were selling at 55c (in Toronto).

And more increases are in prospect. Midweek cattle prices were firm at 75c-$1 (per 100 lb.) up on last week with weighty steers fetching a top of $18.50 on the Toronto market as compared with $16-$17 at the beginning of February.

Increased prices reflect declining beef production.

Potatoes are up—and likely to continue to rise. In normal times increases could be expected at this month as seasonal, but this year stocks are 30% above average. Imports of new potatoes from U. S. are, however, banned. Ban went into effect Thursday last, imposed by Finance Minister Abbott because of "excellent domestic supply position."

Prices (on Toronto market) at midweek were $3.10-$3.25 for N. B. and P. E. I. (to retail) as compared with last week's $2.75.

Texas cabbage continues to climb. From last week's $3.65-$3.75 per 50-lb. bag, prices at wholesale by midweek had risen to $3.86-$3.93. Shortages can be expected at retail in other than chain stores importing direct.

The Parliamentary Prices Committee still sniffing for profiteers (this week in meat—see above) heard, among other things, that the packers' lot is not entirely a high-profit one. Evidence of Canada Packers' president, J. S. McLean, was that the company had "substantial losses on fresh meat in the period 1936-1941, profits on cooked meats, substantial profits on by-products." Total profits over eight years' operations, said Mr. McLean, worked out to ⅛c lb. on meat handled.

Look For It Here

May 1, 1948

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It's Your Money

BY BRUCE MACKINNON
Maclean-Hunter Editorial Research

The annual report of the Foreign Exchange Control Board has much material of interest to the taxpayer. Perhaps the most interesting item is the way the bureaucrats multiplied as Canada's foreign exchange reserves dwindled.

At the end of 1946, FECB had 240 employees, and cost of administration was $596,217.

A year later, the staff numbered 420, and the year's administration cost was $810,668.

Exchange reserves in 1946 were depleted by $263 millions. In 1947, the loss was $743 millions.

Apparently, in contrast with normal business, the more money a government agency loses, the more it can afford to spend!

Nfld. Marking Time Until Vote

(Continued from page 1)

foundland duties on American goods are considerably lower than the Canadian.

Customs Revenue Down

As this country collects a considerable amount of its revenue from customs duties, the smaller imports will probably be felt by the general economy of the whole country. Due to the import decline over the last month or so, the Customs Department has already lost more than $300,000.

The decline in local trade may also cause unemployment, particularly in local manufacturing industries which import all their raw materials.

Rating of Products Important for ERP

(Continued from page 1)

and not a recipient country in the ERP program, but while this is true in terms of goods, the fact is we've currently shot our bolt financially.

If we hadn't shot our bolt financially, we'd doubtless be in the front row wanting to go into partnership with the United States in underwriting our own most important customers. As it is, the best guess at present is that for 1948, we won't have more than perhaps $150 or $200 millions to "contribute" in loans or gifts to our side of ERP.

Some Canadian experts think such a figure is far too low. It may be, especially if we have a big crop this year.

But in any event, if Canada is to keep her productive plant at full speed and is to maintain her European sales on the same basis as last year, there will be a considerable "gap" probably close to $750 millions, a gap several times greater than anything we can possibly now fill in light of our depleted U. S. dollar reserves.

It was to talk over this supplier-debtor relationship that Rt. Hon. C. D. Howe, Trade and Commerce Minister, sat around the dinner table with Paul Hoffman at the Canadian Embassy this week.

The Payment "Gap"

On the basis of latest official estimates released last week, a very large fraction, about 10%, of possible ERP shipments is earmarked to come from Canada. An even larger fraction is represented by the gap between estimated Canadian supplies and means of payment.

No one looking at the matter realistically denies that this "gap" is going to be underwritten by U. S. taxpayers. Canadians would like to think of it as a "partnership" even though on the dollar side it is a pretty uneven arrangement. Until Mr. Hoffman and Mr. Howe, and eventually the two Governments can settle this so we can work along parallel lines, the Canadian position will be vague and unsatisfactory.

This is all that can be expected for the present. It will be at least another two weeks, according to present estimates, before more precise dollar figures, etc., will be obtainable.

On the statistical side, revised figures presently available indicate what the 17 ERP nations now feel they need in the 15-month period starting April 1, 1948 and ending June 30, 1949.

Total of these estimated needs is now put at $13.6 billions of which $4.3 billions is for U. K. Of the larger total, it is estimated $4.5 billions can be paid for by dollar earnings; $2.1 billions by loans and credits. This leaves a $7 billions "gap" of which the ECA obligation for the full 15 month-period is $6.7. The proportionate total for the 12-month coverage voted by Congress is $5.3 billions.

What Canada Will Supply

Out of the $13.6 billions of "requirements" it is estimated that $1.4 billions must come from Canada. Of this $600 millions or 43% is represented by grains. Other foodstuffs account for another $200 millions of which $89 millions is for meats; $40 millions for eggs; $10 millions for tobacco.

Next biggest item is timber at about $200 millions for the 15-month period. Base metals at $135 millions include: copper $32, lead $19, zinc $21 and aluminum $63 millions.

Other big groups include: chemicals $68 millions; machinery of all kinds $64 millions (including $22 millions of farm implements and $12 millions of trucks); newsprint $52 millions; woodpulp $36 millions; fish $16 millions.

One important and controversial point here is that the Canadian figures include British and other demands on Newfoundland. This affects especially newsprint, woodpulp and rich iron ore, which is down at $4.3 millions.

Listed by countries, over 70% ($1 billion) is sought by United Kingdom and U. K. dependencies. Other "demands" (including in a number of cases dependencies) are: Netherlands $83.3 millions; France $71.3 millions; Belgium $59 millions; Italy $33 millions; Germany $33 millions; Norway $22 millions; Switzerland $19 millions; Ireland $19 millions; Portugal $11 millions; Sweden $10 millions; Denmark $9 millions; Greece $7 millions. Turkey and Iceland $1 million each.

One point of importance is that the European Recovery Program is still a thing of substance even though in the United States attention has been now focused on the administrative agency ECA.

It is more than likely that the 17 recipient nations themselves will set up an ERP organization of their own in Paris. For Canadians, once the general lines of policy are outlined in Washington, this might well become the key point of contact.

Canada Offers Best Field For U.S. Investment—Hill

WASHINGTON (Staff)—Bruce Hill of St. Catharines, Ontario, got a tremendous reception here this week when he told 1,500 United States businessmen that before they wandered to the four corners of the earth to invest their money, they would be better advised "to investigate your good neighbor to the north."

Mr. Hill was paired on the same program with Gen. George C. Marshall, U. S. Secretary of State, who warmly thanked the Canadian farmer-manufacturer for his penetrating observations.

The occasion was the 36th annal meeting of the U. S. Chamber of Commerce. Mr. Hill brought greetings from Canada as President of the Canadian Chamber.

"Splendid Investment"

Stressing that Canada was the United States' best cash customer and wanted to remain so, Mr. Hill pointed out that trade had to be a two-way street if both parties were to do business: "Canada wants and expects nothing more from the United States than the consideration normally given a best customer, a good risk and a good friend. We have a store of natural resources and a capacity for efficient production, exceeded only by that of the United States. You have already invested $5 billions in our Canada— a sum which by our standards is a lot of money. This has been a splendid investment for us and for you."

Gen. Marshall, in an informal discussion of the United States' rôle in world affairs, made a plea that Americans now get behind the Administration's drive to extend the Reciprocal Trade Agreements Act. This act will expire on June 12 unless renewed or extended by Congress.

This is the Act under which all United States trade agreements have been negotiated over the past 15 years and under which the recent Geneva trade concessions were obtained. Under this Act the President of the United States has been given authority to make two successive reductions in tariffs, each one up to a maximum of 50%. Thus scores of items which formerly bore a prohibitive tariff against Canada have been cut back a full 75% over the past decade. The Act was introduced by Cordell Hull in 1934.

Hope for Renewal

There is considerable Canadian interest in this Act because, unless it is renewed, the tariff concessions granted by the United States at Geneva cannot be extended to any other countries. As well, Canada may need this or a similar framework on which to base her new approach for further reciprocal trade concessions next year.

EXECUTIVE CHANGES ANNOUNCED BY IMPERIAL BANK OF CANADA

R. S. WALDIE
Chairman of the Board

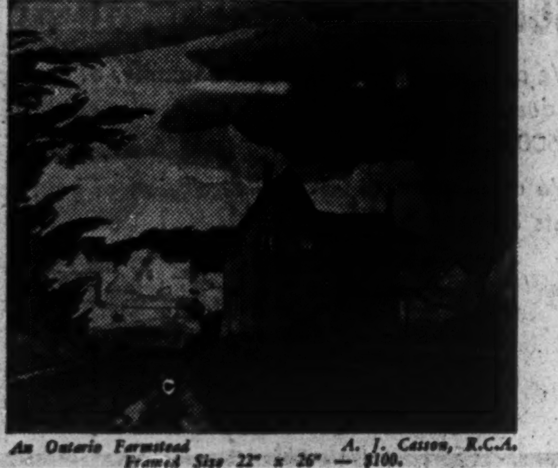
W. G. MORE
President

I. K. JOHNSTON
General Manager

Mr. Waldie—Joined the Board as Director in 1919, was elected Vice-President in 1931 and President in 1943, which office he now relinquishes to become Chairman of the Board.

Mr. More—Steps up from the office of Vice-President and General Manager to become President. Mr. More joined the bank in 1911 at Head Office, was made Superintendent of Branches in 1922, and in 1937 Assistant General Manager. He was appointed General Manager in 1944.

Mr. Johnston—The new General Manager, joined the Bank in 1904, has served as Manager at various branches and was moved to Head Office as Supervisor in 1931. Seven years later he became General Supervisor and an Assistant General Manager in 1943.



An Ontario Farmstead — A. J. Casson, R.C.A.
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It is difficult to place a price on loyalty and long service. These are two of the great intangibles of business, springing from the spirit and character of faithful employees, which cannot be paid for as "value received."

But they can be recognized with sincere appreciation and engraved in letters of gold or silver on tokens that will last the lifetime of the employee — and beyond.

Birks are experts in the selection of such gifts. Upon request, we will be happy to mail you a brochure, illustrating a few of the many types of awards created in our own craftshops. Designs and prices will be submitted without obligation.

Jewellers — BIRKS — Silversmiths
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IN 1947 MORE CANADIANS PROTECTED AGAINST ACCIDENT AND SICKNESS THAN EVER BEFORE

THE *Reasons* FOR THIS *Success*

Better protection at lower cost ... conscientious service to every policyholder ... prompt payment of claims. These three factors have been the basis of Continental Casualty Company's progress to the position of Canada's number one accident and sickness insurance company.

The financial statement reproduced below tells a story of striking growth and iron-clad stability. The total assets of the company ... funds that back up every policy we write ... amount to more than $89,000,000.00. Continental's premium income for 1947 totalled over $64,000,000.00. Over $275,000,000.00 has been paid out in claims.

Every Canadian whose income is not protected against the inroads of medical expenses or disability due to accident or sickness owes it to himself to investigate the Continental Casualty plan designed to meet his particular needs. See your local agent or write direct to our head office.

ANNUAL FINANCIAL STATEMENT, DEC. 31, 1947

ASSETS

Cash	$11,911,566.12
*United States Government Obligations	35,762,585.12
*Canadian Government Obligations	3,076,418.44
*Other Public Bonds	4,591,105.25
*Railroad Bonds and Equipment Trust Certificates	1,248,907.30
*Public Utility Bonds	1,047,690.00
*Miscellaneous Bonds	500,000.00
*Preferred Stocks	6,115,567.00
*Other Stocks	13,937,673.00
Mortgage Loans	104,394.30
Administrative Office Buildings	3,560,225.50
Premiums in Course of Collection (Not over 90 days past due)	7,042,355.61
Accrued Interest and Rents	292,209.16
Other Assets	292,972.41
ADMITTED ASSETS	$89,483,669.21

LIABILITIES

Reserve of Unearned Premiums		$21,870,983.88
Provision for Unpaid Claims		30,024,883.51
Miscellaneous Liabilities		5,261,754.88
Reserve for United States and Canadian Income Taxes		1,544,370.73
General Contingency Reserves		6,950,000.00
Capital	$ 6,000,000.00	
Surplus	17,831,676.21	
Capital and Surplus		23,831,676.21
TOTAL		$89,483,669.21

*Eligible bonds amortized. Insurance stocks valued on basis of pro-rata share of capital and surplus. All other securities at quotations prescribed by National Association of Insurance Commissioners.

Net Premiums written during 1947—$64,877,853.15
Increase over 1946—$9,117,814.98

Canadian policyholders are also protected by Canadian Bonds deposited with the Receiver-General of Canada for their exclusive security.

Net Premiums written in Canada during 1947 .. $5,856,790.11
Increase over 1946 .... $988,875.71

Continental CASUALTY COMPANY

HEAD OFFICE FOR CANADA, FEDERAL BUILDING, TORONTO, ONT.

R. D. BEDOLFE, Canadian General Manager
ROSS D. HEINS, Assistant General Manager

CANADA'S NO. 1 ACCIDENT AND SICKNESS INSURANCE COMPANY

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TRANS WORLD AIRLINE

CITY OF CHATHAM

Sealed Tenders addressed to M. I. Mack, City Treasurer, will be received until Monday noon, May 10, 1948, for the purchase of City of Chatham debentures as follows: $325,000.00 20-year serial debentures bearing interest at three per cent per annum payable annually in Canadian funds at the Canadian Bank of Commerce, Chatham, Ontario. This issue to provide for the erection of two Public Schools has been approved by order PFB 5304 of The Ontario Municipal Board. The highest or any tender not necessarily accepted. Callable as to last year only.

RALPH D. STEELE,
Mayor.

Pointe au Baril Consolidated School Board

Parry Sound District
Province of Ontario.

Tenders for Debentures

Sealed Tenders marked "Tenders For Debentures" addressed to Secretary-Treasurer of the Board of Trustees of the Pointe au Baril Consolidated School Board S.S. No. 1 & 2,—Township of Harrison at Pointe au Baril, Ontario, will be received at office of Secretary-Treasurer at Pointe au Baril, Ontario, up to 12 o'clock noon, on Tuesday, the 11th day of May, 1948, for the purchase of Debentures of said School Sections, 1 & 2—Township of Harrison in Parry Sound District in the aggregate principal amount of $30,000.

The said Debentures will bear interest at the rate of 4% per annum and will be retired over a period of 20 years. The annual Debenture payment which includes principal and interest will be $2,207.45, payable at Bank of Nova Scotia, Parry Sound, Ontario, in Canadian funds. The said Debentures will be issued in denominations of $500.00 each or multiple thereof.

The proposed issue is for capital expenditures to erect a new two-roomed school under the jurisdiction of the Board.

The Board reserves the right to reject any or all bids—the highest or any bid not necessarily accepted.

Dated at Pointe au Baril this 19th day of April, 1948.

The Board of Trustees of Pointe au Baril Consolidated School, S.S. No. 1 & 2—Harrison Township, Pointe au Baril, Ontario.

J. McAULIFFE,
Secretary-Treasurer.

SAGUENAY POWER CO. reports operating revenue for the three months ended March 31, 1948, of $1,870,910. Net profit after all deductions was $392,063.

INVESTMENTS THIS WEEK

Stock Markets Hesitating Gap Narrowed Against N.Y.

Canadian and U. S. stock markets were hesitating this week after one of the sharpest rises on record. Investment opinion was divided on their immediate future action: some analysts felt that the current action represented a technical reaction; others, that it was a more definite change in trend.

Just how sharp the Canadian markets' rise has been in the last six weeks does not seem to be widely appreciated, the movement took place so quietly. Since the middle of March the Toronto Stock Exchange index for industrials is up 19.9%, the Montreal Stock Exchange industrial average 19.1%, while the Dow-Jones industrials average was up 10.8%.

Canadian stock markets have narrowed the gap between themselves and the New York market —the TSE industrials index now being within five index points of the Dow-Jones industrial average as compared with a difference of over 16 index points the middle of March. Its present relationship is about the same as for most of the spring of 1946. (Stock markets reached a high at the end of May, 1946).

Dow theorists are watching the market's action closely. There have been at least four rallies in the stock market since the 1946 break. The peak points of these rallies, prior to the current one, were 186.85 for the industrial average, 53.85 for the rail average. The rail average has "penetrated" the high, but the industrial average, about 181 at midweek, would have to close above 187.88 to confirm that a bull market is here, according to theorists.

Opinions vary on what the future holds. Uncertainty prevails generally among most investors, who seem inclined to adopt a "wait and see" attitude.

Business news generally appears favorable. Large-scale defense and ERP expenditures planned for the United States should act to bolster business there, while the ERP program is expected to benefit Canadian business levels.

On the other side, political uncertainty, both in the United States and abroad; realization that the ERP program is subject to yearly review and approval by Congress, and, for Canadians, a desire to see more clearly its benefits, were restraining factors.

Buying has been quite selective, and investors are watching earnings ratios and yields closely, brokers state. "Blue chips" have shown a better market action than the less seasoned investments. Should the market continue upward, the more marked movement in the future may be in the "lower grade" stocks, analysts feel.

Expect New Plan Soon For Canadian Vickers

A new reorganization plan for Canadian Vickers Ltd. is now under consideration and details are expected to be announced within a couple of weeks, The Financial Post understands. This plan will not involve any dilution of the equity of the common, it is stated.

The company's annual report for the fiscal year ending Feb. 28, 1948, is expected to be published within a month. While earnings will be down from the previous year's $507,601, they are quite satisfactory, The Post understands. Last year the net profit was equal to $25.38 a preferred share and to $6.94 a common share.

Canadian Vickers has 20,000 7% preferred shares, par $100, and 53,000 no par value common shares outstanding. Accumulated dividend arrears at Feb. 1, 1948, amounted to $120.75 a share on the original 17,500 shares; to $52.50 on the additional 2,000 shares cumulative from July 14, 1939 and to about $15.75 on the remaining 500 shares cumulative from Oct. 24, 1944. The preferred is currently quoted $132 a share bid to $141 asked while the common is $24¼ a share bid.

• • •

Annual Reports

"Any company that fails to take advantage of the pictorial presentation of its management to its stockholders and employees is muffing an important public relations opportunity." That is one conclusion of Bruce Watson, manager, Stockholder Relations, General Foods Corp., in an article on "What One Company Learned About Its Stockholders" published in March, 1948, Advertising & Selling. This follows a survey of 358 women shareholders, interviewed immediately after the report had been issued.

Photographs and titles of 26 persons were shown. About 64% of those interviewed started off on the page and 59% read the whole page.

The most striking general conclusion to be drawn from the study was the importance of related illustrations in raising readership of adjoining texts, Mr. Watson reports.

• • •

York Trading Ltd., Canadian Ingersoll-Rand Co. and **Canadian General Securities Ltd.** 1947 annual reports do not contain any comments by the officers or directors. Some comment would be helpful to shareholders.

• • •

Gordon Mackay & Stores Ltd. has adopted the "new look" in its annual report. In place of the customary balance sheet, it shows a statement of consolidated financial position which starts off with current assets, from which are deducted current liabilities, to leave net working capital. To this is added fixed assets and sundry assets, from which total other liabilities are deducted to give a figure for net assets. The company then shows how this net asset figure was derived, from capital stock, profit arising from the sale of the company's shares by a subsidiary, purchase of shares of subsidiaries for less than the book value of their net assets, and by accumulated income retained in the business.

• • •

International Petroleum Co. 1947 annual report is printed in good large readable type, contains comparative figures for the last two years, and remarks cover most phases of the operations. A map showing principal points of its operations on the back cover is helpful to shareholders following the remarks.

• • •

Expect Brazilian's Loan Bill Through Congress in June

The legislation to guarantee a loan from the International Bank for Reconstruction & Development to Brazilian Traction, Light & Power Co. is still under consideration by the Brazilian Congress, The Financial Post understands. It is expected in Brazil that it would be through Congress which reconvened March 15, by the middle of June. The bill seeks to authorize a loan of up to $90 millions.

Brazilian's expansion program is progressing satisfactorily at the reduced rate set last fall, President Henry Borden states. Work has been closed down on the Paraiba-Pirai diversion project. The company is not faced with any unusual labor trouble at present, he added.

Brazilian common has been selling about $19 a share as against a 1948 high of $20 and a low of $17 and a 1947 high of $24 and low of $16½.

CREDIT MANAGER

A growing concern in the Maritime Provinces requires a man capable of organizing a retail credit department. The man should have experience either as credit manager or assistant credit manager. He should be knowledgeable in credit approach, credit granting and collection procedure. A very interesting proposition and a good future for such a man. Write in confidence giving full details.

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Have opening for young man with Associate Actuarial Degree. Opportunity to become Actuary of Company if satisfactory. Apply stating experience, age, marital status, references, and salary expected to

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of buildings and equipment
INSPECTION
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of buildings, materials and machinery during construction.
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MA. 3777 AD. 6942 2-4173

FOR SALE

Established metal furniture business having brand new plant of 12,000 sq. feet situated on Laurentian Highway, 15 miles from Montreal.

This company is making profitable line of all metal furniture for hotels, restaurants and homes. Profits are 10% net on sales. This business will be sold as going concern for less than price of assets. Approximately,

$50,000

N. S. BROOKE, MANAGER
INDUSTRIAL DEPARTMENT—GUARDIAN TRUST COMPANY
515 ST. JAMES STREET W., MONTREAL, QUE.

TECHNICAL EXECUTIVE AVAILABLE

Highly qualified Canadian Executive with twenty years combined technical and administrative experience, presently employed, would consider change to a position with progressive organization offering wider scope for executive and technical ability.

Advertiser is a graduate engineer, age 48, with extensive technical qualifications and a well integrated experience of layout, construction operation and management of industrial processes and heavy chemical manufacture.

Record of achievement includes full responsibility for complete establishment of manufacturing plant overseas, and organization and training of operating and executive staffs.

Position should offer responsibility calling for salary not less than $8,000.00.

BOX 234, THE FINANCIAL POST, TORONTO

Classified ADVERTISEMENTS

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

POSITIONS WANTED

EXECUTIVE ASSISTANT

SOUND EXPERIENCE. Desires post as liaison between head office and branches or outside contacts. Box 233, The Financial Post, Toronto 2.

YOUNG BUSINESS EXECUTIVE, at present employed as general manager of import-export firm, wishes to make a change. Anglo-Saxon, Canadian born, educated and trained. Speaks French and Italian. Wife is a well-known journalist, no children, is not averse to foreign employment, excellent references. Box No. 231, The Financial Post, Toronto.

COMMERCE GRADUATE

MARRIED VETERAN (no children) age 31. Graduating June 1948 University of Toronto. Available May 31. Six years experience in small loan business in retail sales and administrative duties (latter includes additional 4½ years experience while in Armed Services). Desire position in progressive firm in the field of finance, investment or general administrative, etc., offering opportunity for advancement and future executive position. Willing to take a position outside Toronto. Good health. Excellent references on request. Box 232, The Financial Post, Toronto 2.

CAPITAL REQUIRED

MANUFACTURING COMPANY offers an excellent opportunity for a party who wishes to invest substantial capital for half interest, in an established business, realizing about 20% on investment. Box 235, The Financial Post, Toronto 2.

AGENCIES WANTED

MID WEST Wholesaler of Food Products wishes to secure distributing on additional lines. Aggressive organization. Best of references. Box No. 210, The Financial Post, Toronto 2.

DANISH ENGINEER

VISITING THE TRADE FAIR 1-10 June desires connection with a firm in the building industry regarding a Danish insulation material. N. Buus, Norregade 22, Copenhagen K., Denmark.

HAROLD M. LONG
president of H. M. Long Ltd., Montreal, has been elected a director of National Drug & Chemical Co. of Canada.

COMPANY REPORTS

AMERICAN NEPHELINE experienced a 1947 operating loss of $47,455 and a net loss of $122,399 after all charges. Difficulties were encountered in connection with bringing the new plant into operation during the year. Sales, although up 26%, were not as high as anticipated.

Early production from the Canadian plant was higher in iron than had been forecast but by March, 1948, a satisfactory grade was being produced. A total of 5,607 tons of products were shipped in March, the highest for any month in the company's history.

When additional working capital was required, Ventures Ltd. and Dickson, Jolliffe & Co. jointly made advances which totaled $95,000 at Dec. 31, 1947.

INCOME ACCOUNT

As at Dec. 31: / Years Ended Dec. 31:	1947	1946
Net sales	$774,436	$504,065
Add: Inc. in invent.	79,558	†18,892
Less: Oper. exps.	901,446	560,661
Oper. loss	47,455	*14,512
Add: Deprec.	51,500	45,336
Def. dev. w/o	23,394	11,568
Net loss & deficit	122,399	42,412

†Decrease. *Profit.

CONDENSED CONS. BALANCE SHEET

Cash	$18,401	$85,850
Accts. rec.	73,523	44,234
Inventories	191,131	65,863
Total curr. assets	[illegible]	195,947
Dep. with H.-E. Pwr.	40,320	40,320
Deferred devel.	125,066	139,858
Misc. assets	6,192	6,438
Mining prop.	63,283	63,283
Bldgs., equip., etc.*	761,265	690,113
Total assets	1,282,371	1,135,960
Bank loan	74,751	100,000
Accts., tax., etc., pay.	116,883	69,262
Total curr. liabs.	191,634	169,362
Advances, assoc. cos.	95,000	......
Capital stock	1,324,644	1,181,373
Less: Deficit	329,007	214,678
*After depr. of	283,020	260,215
Working capital	91,511	26,685

CONSOLIDATED BEATTIE MINES 1947 operations resulted in a substantially greater net loss at $951,204 and a drop of close to 300,000 tons in ore reserves. Bullion output increased from $313,257 in 1946 to $1,128,503 last year.

At end of 1947 a 30-ft. depth of clay remained in shaft bottom after removal of 40,000 cu. yds. from the mine. About the same amount remained in the sixth level drift to Donchester shaft, the winze below the sixth level, on seventh and eighth and ninth levels. Remaining clay is no longer considered a serious problem in mine operations.

Good ore sections were opened on seventh and eighth levels, Mine Manager G. W. Robinson states. The seventh level showed an ore length of 1,880 ft. averaging 0.20 oz. across 9 ft. and eighth disclosed ore length of 670 ft. averaging 0.217 oz. across 7.8 ft.

Surface drilling was done along north contact of the porphyry from 2,500 ft. east to 6,500 ft. east of Beattie shaft. All holes cut the extension of the north ore zone.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Prod. of bullion	$1,128,503	$313,257
Less: Marketing	9,868	2,931
Net returns	1,128,635	310,326
Less: Oper. exps.	1,546,988	640,553
Oper. loss	418,353	330,227
Add: Asset loss	......	355
Less: Other inc.	16,437	125
Prof. on secs. sold	......	5,226
Loss	401,916	325,231
Add: Deprec.	95,435	102,018
Def. dev. w/o	453,853	147,291
Net loss & deficit	951,204	574,540
Earned per Share	d$0.19	d$0.13
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & bullion	$171,676	$43,441
Accts. rec.	20,395	10,496
Frobisher Expl. shs. } Other invest.‡	27,232	14,729 / 12,543
Mat. & supplies	281,347	286,566
Total curr. assets	500,950	367,885
Prep. & def. chgs.	9,021	26,475
Sundry shs., etc.	432,131	423,531
Def. expenditure	2,463,854	2,965,534
Mining properties	593,062	593,062
Plant & equip.•	601,193	622,087
Total assets	[illegible]	[illegible]
Bank adv.	......	323,414
Nts. due assoc. cos.	431,459	......
Accts. & wages pay.	136,713	92,158
Total curr. liab.	568,172	415,572
Capital stock	5,611,716	5,158,188
Less: Deficit	1,579,667	575,226
•After depr. of	2,560,106	2,473,205
‡Market value	56,250	20,692
Excess of curr. liab. over curr. assets	67,222	47,737

OPERATING STATISTICS

	1947	1946
Tons milled	244,300	107,421
Average recov.	$4.66	$2.[illegible]
Ore reserves, tons	2,413,000	2,712,700
Grade ($35 gold)	$4.66	$4.69

Canada Malting Shipments Said Up

Shipments during the first quarter of 1948 have been keeping up very well, Eric S. Clarke, president, told shareholders at the annual meeting. Domestic shipments have been slightly higher than last year while export shipments to date and booked for the next three months are almost 25% above 1947.

The outlook looks very favorable and the company is pleased with the reception its malt has received in foreign markets, he said.

Bank advances of $7,994,424 shown on the balance sheet at Dec. 31, 1947, have been considerably reduced and will be further reduced in the next two or three months as barley purchases for the season are pretty well completed, Mr. Clarke said.

United Steel Outlook Good

First quarter results indicate that 1948 will show up well as compared with 1947, T. J. Dillon, president of United Steel Corp. stated at the annual meeting this week. A dividend of 12½c a share was declared for the first quarter.

Maintenance of the 12½c quarterly dividend rate is favored if earnings and conditions render it advisable, Mr. Dillon stated. If debt is further reduced and earnings go as expected an extra, over and above the 12½c a share, may be declared after the turn of the year.

There is currently over $6.5 million worth of business on company books, it was stated. At the rate of 1947 operations this could ensure a high level of operations for a good part of the current year.

Earnings of the wholly-owned subsidiary, F. H. Hopkins & Co., Montreal, were consolidated with those of the corporation for 1947 and amounted to $79,000, it was disclosed. At the same time approximately $35,000 was added to the expense side by way of officers' salaries.

There is still due by the Dominion Government on war contract termination $320,237, whereas the annual statement as at Dec. 31, 1946, showed this item at $1,624,192. The difference of $1,303,955 is made up of $1,002,111 received from the Government and $301,844 disallowed through Government's methods of computing costs. Of the amount received $800,000 was invested in inventory and the balance in capital assets. This will explain why bank loans have not been substantially reduced, Mr Dillon states. It was pointed out, however, that bank interest is charged on a net daily balance, that is, debts are charged against credit balances, the interest charges being absorbed in operations.

The sharply improved results from 1947 operations resulted from greatly increased volume of sales and improved manufacturing operations, as well as further expanded development of steel warehouse business, Mr Dillon told shareholders.

Two new directors, W. Ewart Bannerman and R. Alexander Macfarlane, both of Toronto, were appointed to the board of directors.

First Quarter CIL Sales Continue Up

MONTREAL (Staff)—Economy and efficiency in industry are necessary to maintain a large volume of consumer demand, Canadian Industries Ltd. president George W. Huggett told shareholders at the annual meeting last week.

The president said sales of CIL during the first quarter of 1948 continued to expand and profits have been maintained. Investment income which included a substantial amount from non-recurring sources in 1947 is considerably lower than a year ago, he added.

Discussing the problem facing management, Mr. Huggett pointed out that the public as consumer demands the lowest possible prices. But the public as worker presses for higher wages and shorter hours. Adding to the difficulty, the government contributes to the high level of costs through taxation. It is management's task to arrive at a fair balance between these conflicting interests, the president declared. If prices are too high, demand will be curtailed and too low prices can mean only that the stockholders for a time subsidize society, and eventually funds available for new investments undergo a decline.

Referring to prices he said that it had been a deliberate company policy to keep selling price increases to a minimum. During 1947 consumers paid on the average only about 11% more than in 1939 for the same volume of the company's manufactured products, Mr. Huggett said. This, although the purchasing power of the dollar was probably not much more than half as much as in prewar years.

If the present trend of increasing costs continues it will undoubtedly be necessary to institute some further selective increase in selling prices, the president continued.

Because the company has been operating at virtual capacity for some years an increase in profits from manufacturing activities is dependent on one or more of such factors as lower costs, higer selling prices and enlarging manufacturing facilities, Mr. Huggett explained. Cost of materials and labor were higher in 1947 than in the preceding year and individual efficiency had not yet improved to a point which would have a noticeable effect on the level of profits. Profit margins although slightly better than in 1946 were below prewar levels for virtually all products.

RIVIERE - DU - LOUP has sold $269,700 of 3-3¼-3½% serial 15-year bonds to a syndicate including L. G. Beaubien & Co., Banque Provinciale and Lagueux & DesRochers, at 98.33. The issue comprises a renewal loan of $19,700 and another loan of $250,000. Money will cost a net average interest of 3.66009%.

CITY OF SHERBROOKE has sold $100,000 of 2¾-3% serial 20-year bonds to a syndicate including Mead & Co., Cochran Murray & Co. and Anderson & Co. at a price of 97.66. Net cost of the money is 3.214%.

TOWNSHIP OF OTIS reports that bonds in default, as well as other debts outstanding at the time of the reorganization (exclusive of the amount due to the Provincial Government) were paid in cash in a lump sum. Amount of bonds and debts totalled $4,525.

FOR SALE

Well established Electrical Contracting and Repair business in Western Ontario 25-60 cycle change-over area. 1947 volume $223,000.00. Assets excluding liabilities $45,000.00. Business includes a number of nationally known resale agencies.

In view of projected Hydro plans this constitutes an outstanding opportunity.

BOX 230,
THE FINANCIAL POST, TORONTO.

International Petroleum Company, Limited

NOTICE OF ANNUAL AND SPECIAL GENERAL MEETING OF SHAREHOLDERS

The Annual and a Special General Meeting of Shareholders of International Petroleum Company, Limited will be held in Room "C", Convention Mezzanine Floor of the Royal York Hotel, Toronto, Ontario, on Monday, May 10th, 1948, at 2.30 P.M.

The meeting, in addition to the matters required to be dealt with at the Annual Meeting, will consider three by-laws passed by the Directors providing, firstly, for the conversion of the Company's preference stock into common stock and for the cancellation of 200,000 unissued shares of common stock; secondly, for the necessary consequent changes in the Company's general by-laws; and thirdly, for the mechanical reproduction of signatures on share certificates and warrants.

In order to attend and vote at the meeting a holder of bearer share warrants must deposit his warrants before May 6th, 1948, with an acceptable depositary and obtain a certificate containing (1) the name and address of the shareholder (2) the numbers and amounts of the warrants deposited, and (3) a statement that the warrants will be held by the depositary under this deposit until May 12th, 1948.

This certificate (which may be a letter), if presented at the meeting, will entitle the person named therein to attend and vote at the meeting, or will be effective if attached to a proxy signed by such person and lodged with the Secretary of the Company, at least 24 hours before the meeting. Forms of proxy may be obtained from the Company though any form containing the necessary provisions will be accepted.

The following are acceptable depositaries for this purpose:

(1) A branch or agency of any Canadian chartered bank.

(2) A bank which is a member of the Federal Reserve System of the United States of America.

(3) The Secretary of the Company.

C. H. MULLINGER,
Secretary.

Dated at Toronto, Ontario, this [illegible] day of April, 1948.

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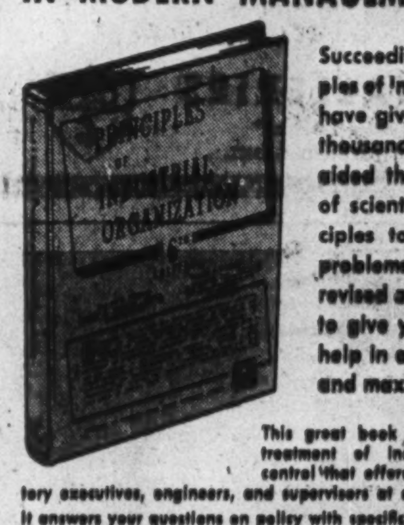

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MANAGED INVESTMENT

Annual Yield Now 7.4% For Compton Portfolio

Compton received investment income of $87.52 for the period from March 16 to April 15. Month's investment activities reviewed are:

Compton's Manager Says:

Opening at 153.1 on March 15, the stock market (as measured by the Toronto Stock Exchange index of industrial stocks) declined to a low of 149.1 on March 16, when the United States soft coal miners went on strike. Since that date, however, following settlement of the coal strike, the Congressional approval of the Marshall Plan, and the results of the Italian elections, the stock market climbed steadily upward and closed at 169.7 on April 15. There has been a further upswing since April 15.

Records show that for the period from Mar. 15 to April 15, you received income amounting to $87.52. It was agreed when we took over your account, that you should transfer $25 monthly from revenue to your personal account for living expenses, and this has been deducted: the balance $62.52, has been transferred to your cash account which, on April 15, showed a net cash balance of $68.70.

The Compton Account Now Stands

No. of Shares	Security	Cost per sh.	*Market per sh.
	Common Stocks		
5	Building Prod.	29½	31
10	Can. & Dom. Sugar	22	17¾
30	Can. Canners	19¼	19
5	Can. Industries	19¾	21¼
10	Can. Pacific Rlwy.	13¼	15⅛
20	Consol. Litho.	17¼	24½
5	Consol. Smelters	85	104¼
5	Goodyear	95½	107
15	John Labatt	20	24½
35	Montreal Locomotive	18	16
15	Walkers	26⅜	25¼
10	Gypsum, Lime	14	14⅝
15	Nat. Steel Car	19¾	21½
15	Simpsons A	25¼	25¼
	Preferred Stocks		
35	Abitibi, $1.50 pfd.	20¾	19¾
30	Can. Wire Box, A	23¾	24⅛
25	E. B. Eddy Co., $1	22	16¾
25	Riverside Silk, A	32½	30
30	D. Stuart Oil	16¼	18
50	McCabe Grain, A	11	8
120	York Knit. Mills A	7¾	7
	Mining Stocks		
100	Teck-Hughes	3.90	2.70
5	McIntyre	64½	59½
15	Kerr-Addison	16¼	14
10	Hudson Bay	45¾	48¼
	Bonds		
$1,100	Can., 3% 1957/60	100½	100⅛
$1,400	Can., 3% 1959/62	100.98	100⅛
	Cash		$68.70
	Curr. Market Value of Fund		$13,695.83
	Average Yield on Original $10,000		7.48%

*Bid price on Apr. 16, 1948.

Ford's Production Lower Revenue Maintained in '48

Ford Motor Co. of Canada maintained its revenue position through the first quarter of this year, President D. B. Greig told shareholders at their annual meeting this week. Directors later declared a dividend of 25c a share and an extra dividend of 25c a share both payable May 28, 1948. Dividends declared to date in 1948 total $1 a share as compared to the $1.25 a share paid on all 1947.

Production of vehicles since the first of the year has been below the same period of 1947, chiefly because of the changeover to new passenger car production and partly because of the three-weeks gas shortage in January and February, Mr. Greig stated.

While the U. S. coal strike did not affect the company immediately, the over-all loss of both coal and steel tonnages may catch up with us during the weeks to come, Mr. Greig stated. "Some of our suppliers particularly in the United States are feeling the pinch of the steel shortage and, for the time being, may not be able to meet our full requirements."

Efficiency Improved

Production facilities are in excellent shape and the company has made important changes in methods and techniques which contribute both to greater manufacturing efficiency and to cost reduction, Mr. Greig stated. Modernization of the entire administrative and operational organization is now well advanced and gives promise of marked improvement and efficiency in all sections of the company, he added.

The effect of "excessive" excise taxes on passenger automobiles eventually will be reflected in a dwindling market and must inevitably result in reduced employment in the Canadian motor car industry, Mr. Greig stated.

When the Government introduced exchange conservation measures last November, the excise tax on passenger cars sold in Canada, which had been a straight 10% of the manufacturer's price, was placed on an ascending scale of 25% on the first $1,200 of the manufacturer's price; 50% on the amount between $1,200 and $2,000, and 75% on the excess over $2,000.

"This onerous excise tax was piled on top of the 8% sales tax, which remained unchanged," Mr. Greig said. "The Government made it clear that the purpose of this heavy tax was to hold down—discourage, if you will—the buying of passenger cars in Canada and thus to conserve a proportion of the United States dollars expended for imported parts and materials used in their manufacture.

"We strongly feel that effective import controls have removed the last vestige of need for an excessive excise tax as a means of conserving U. S. dollars. The fact that our national surplus is in the neighborhood of $800 millions is a clear indication the excise tax on automobiles is not needed for purposes of revenue."

Mr. Creig said his company had joined in strong representations to the Government, all of which has been in vain.

Hits Low-Price Field

"Your company has a very substantial investment in its new car program, initiated at a time when all signs pointed to a reduction, rather than an increase in taxes on cars," Mr. Greig said. "There is no question that the sharply advanced tax structure will materially change the character of our markets, principally by putting our lowest-priced products out of the range of thousands of customers who badly want and need them. It is our hope that the Government soon will recognize the validity of our points of view, before serious damage is done to the automobile industry and the thousands of persons directly or indirectly dependent upon it for their livelihood."

Mr. Greig said it had cost Ford of Canada $7.5 millions to put its new passenger cars into production. These, he said, are not merely new models, but "new automobiles from tires to roof."

Ford of Canada sold more cars and trucks overseas than in the Canadian market from 1933 to 1946. In 1947 export shipments accounted for 40% of its business.

"With the exception of South Africa and Newfoundland, all of our customer countries have imposed quota restrictions on the importation of motor vehicles owing to the dollar shortage," Mr. Greig said. "In 1947 these quotas were high enough to permit shipment of all the vehicles Ford of Canada had allotted to export markets in that year. For 1948 we expect our shipments to export territories may be about 10% below those of 1947."

Vice-President Rhys M. Sale and specialists from the Windsor staff will travel this year to Australia and New Zealand, and later to other overseas market areas, to study conditions and trends at first hand, he stated.

Import Controls

Referring to the government restrictions on the expenditure of U.S. dollars in 1948 for the importation of cars, parts and vehicle components, Mr. Greig stated: "The allotment of U. S. dollars to your company would be insufficient to enable us to carry out our planned production program for 1948 were we to continue to import generally as in the past. However, by eliminating from our line those models which have the greatest proportion of material and parts imported from the United States; by suspending the importation of Lincoln cars; and making and purchasing more of our parts and material requirements in Canada and by adopting every means we can to save U. S. dollars, we expect to avoid curtailment of our activities as a result of the new regulations."

Although the net profit of $5,996,000 in 1947 was the highest in many years, it was earned on the highest peacetime sales volume since the inception of the company, $149,300,000, Mr. Greig pointed out. This was more than triple the average for 1935-39. The 1947 net profit represented 4.01% of sales income, compared with a 1935-39 average of 6.94%.

"Incidentally, a recent poll of public opinion revealed that the average Canadian believed that the average manufacturer in Canada pockets a net profit of 29 cents out of each dollar's worth of goods he sells—seven times the actual net profit made by your company in 1947, and, of course, substantially more than the net profit for the average Canadian manufacturing company," he stated.

The company now has 13,106 persons on its payroll, a decrease of 599 from Dec. 31, 1947. The working force may be increased when the new cars are brought into full production, Mr. Greig stated. The average labor cost at the close of 1947 was $1.30 an hour, an increase of 60% over the 1939 figure.

Famous Players Earnings Hold

Earnings of Famous Players Canadian Corp. for the first quarter of 1948 are comparable with the corresponding quarter of last year, President J. J. Fitzgibbons stated at the annual meeting.

Mr. Fitzgibbons termed "discriminatory" plans of some provinces to enter the amusement tax field when the Federal Government withdraws. He said Famous Players had collected more than $8 millions in amusement taxes in 1947. Several deals are in the negotiation stage at the moment for new property acquisitions, the president told The Financial Post.

EDGAR G. BURTON

has been elected a director of Brazilian Traction, Light & Power Co.

Mont. Loco. 1948 Outlook Said Brighter

MONTREAL (Staff) — Firm orders totalling $20 millions are on the books of Montreal Locomotive Works, Board Chairman Duncan W. Fraser told shareholders this week. More than $4 millions is represented by orders for Diesel-electric locomotives. Although output for the first quarter of 1948 was at a low level, due to irregularity of incoming orders, the production schedule for the balance of the year, particularly the last quarter, calls for a much higher level of output, Mr. Fraser said.

If the company can avoid serious delays in receipt of material, the year will show profitable operations and in improvement over last year, he added. In order to maintain adequate working capital for a balanced program of diversification and expansion, the directors decided not to declare an extra dividend last year. The question will be reconsidered later this year.

Montreal Locomotive intends to maintain the facilities necessary to produce both Diesel-electric and steam locomotives, the chairman stated. In addition, the company is increasing diversification of its production. Last year was the best in company history in the production of pressure vessels, tubular heat transfer equipment for the petroleum, chemical, utility and allied industries.

Mr. Fraser pointed out that in 1947 the company expended approximately $215,000 for capital improvements and in January of this year another $423,000 was appropriated for plant expansion. Such appropriations are necessary to maintain leadership in the locomotive field and to put the company in a position to compete aggressively in the growing Diesel-electric locomotive and oil refinery equipment markets, he declared. Discovery of new oil fields in Canada should increase production in the latter field, he added.

St. Lawrence Plan May Face Fresh Obstacle

MONTREAL (Staff) — More and still more legal proceedings appear to be in store for St. Lawrence Corp. and its operating subsidiary St. Lawrence Paper Mills in particular, according to company officials.

A Paper Mills preferred shareholder is said to have given notice that a petition will be filed with the courts asking for a writ of mandamus to force the company to implement its plan of reorganization and that John G. Ahern, K.C. will act as counsel for the preferred shareholder. (Mr. Ahern acted as counsel for Joseph Mayr, New York, in the court action which resulted in the quashing of the St. Lawrence Corp. plan.)

According to a Paper Mills official, the company will not contest the case. It is believed possible, however, that some other preferred shareholder or group of shareholders may do so. Early this week the name of the preferred shareholder instituting the action had not been disclosed but it was learned that it was not Mr. Mayr, since he is not a preferred shareholder.

Company officials are still hopeful that a settlement may be negotiated before the action goes to the court.

While reorganization plans of the Paper Mills and St. Lawrence Corp. are identical in many respects, the Corporation plan was ruled out by the Quebec Superior Court. The Paper Mills plan, which was approved by a majority of preferred shareholders and by the court, has not yet been put into effect by the company. It is said to be the opinion of the directors of both St. Lawrence Corp. and the Paper Mills, that since the two reorganization plans are so closely interrelated, it is advisable to present new plans to shareholders of both companies.

If Paper Mills is forced to go through with its original reorganization plan, it would appear that the way is then paved for Paper Mills earnings to flow into St. Lawrence Corp.; providing such earnings are sufficient to cover sinking funds, and dividends on the proposed new first and second preferred stock. If the case is contested, however, the whole matter could drag on for months.

Financial statements of St. Lawrence Corp. manufacturing subsidiaries for first 1948 quarter, show net profit of Paper Mills of $584,302 ($550,158 for previous year) or $4.68 a share on the 6% preferred stock, compared to $4.41 last year. Lake St. John, wholly owned subsidiary of Paper Mills, showed a net profit for the quarter of $459,347 ($361,281) or earnings of $4.32 a common share after payment of quarterly dividends of $27,000 on the preferred stock to Paper Mills. Brompton Pulp and Paper Co. common stock, all of which is owned by St. Lawrence Corp., showed a net profit of $444,436 ($312,519) or $1.48 per common share.

COMPANY REPORTS

DALHOUSIE OIL CO. realized a $2,331 net profit in 1947 ($3,847 in 1946) after a $4,247 allowance for depletion. Working capital showed a slight increase to $235,210, not including approximately $8,000 appreciation in market value of bonds over book value.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Prod'n rev. (net)	$7,957	$5,192
Add: Other rev.	6,006	5,493
Total net rev.	13,963	10,685
Less: Admin. exps.	105	205
Depreciation	2,410	3,148
Depletion	4,247	3,485
Taxes	4,870	......
Net prof. & surp.	2,331	3,847
Earned per Share	$0.0008	$0.0013

None paid.

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & govt. bds.	$235,694	$225,378
Accts., etc., rec.	3,060	994
Mater. & supplies	202	95
Total curr. assets	238,956	226,467
Def. & prep. chgs.	35	27
Invest. in sub.	......	1
Land & leases†	131,329	135,576
Wells, plant & equip.	28,014	30,424
Total assets	398,334	392,495
Total curr. liab.	3,746	414
Def. credit	263	86
Capital stock	3,000,000	3,000,000
Capital deficit	2,237,807	2,237,807
Operating deficit	367,868	370,198
*After amort. & depr. of	667,043	664,633
†After depl. of	1,958,733	1,954,486
Working capital	235,210	226,053

SOUTHWEST PETROLEUM CO. showed an increase in net profits to $42,231 or 5.6 cents a share in 1947 from $937 in 1946.

While production of crude declined from 38,216 bbls. in 1946 to 30,520 bbls. in 1947, improvement in earnings before taxes of $36,422 reflected an increase of approximately $8,000 in revenue from sales and a reduction of approximately $28,000 in expenses, President W. L. Taylor points out.

Increases in the price of crude more than offset decline in production during the year. Provisions for depletion and amortization are stated to have been reduced "commensurate with reduced production."

Working capital was almost doubled at $131,581 at Dec. 31, 1947. Shares outstanding remain at 750,006.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Operating profit	*$79,397	$65,983
Less: Gen. exps.	......	34
Depreciation	13,206	30,371
Depletion	8,155	13,965
Taxes	15,805	20,676
Net profit & surp.	42,231	937
*After expenses.		
Earned per Share	$0.056	$0.001

None paid.

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$127,429	$79,563
Accts. rec.	15,900	4,755
Mater. & supplies	498	666
Total curr. assets	143,827	84,984
Def. & prep. chgs.	371	200
Land & leases	373,505	373,506
Wells, plant & equip.	915,247	915,275
Less: Depreciation	870,878	857,690
Depletion	339,016	330,861
Total assets	223,056	185,412
Accts. pay.	1,645	2,138
Taxes pay.	10,601	11,677
Total curr. liab.	12,246	13,815
Def. credit	3,599	1,660
Advs. fr. Imperial Oil	34,345	39,302
Capital stock	624,336	624,336
Deficit	451,470	493,701
Working capital	131,581	71,169

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Must Stop Asking Favors

"If we are going to make a successful stand against totalitarianism then we must make very sure that we are free from that curse ourselves."

This was the warning William A. Irwin, economist for the American Bankers Association in an address before the Canadian Club of Toronto this week. "Free men," pointed out Mr. Irwin, "can have no truck with economic shackles either for themselves or others. They must be willing to take all the risks that go with freedom or ultimately accept servitude."

And Mr. Irwin made it very clear that in the democratic world, including Canada and the United States there were a great many people who were reluctant to take those risks, who were much too inclined to shove them on the Government. He said:

"The tendency to turn to government for the solution of economic problems has developed rapidly all over the free world. This tendency has been characteristic not only of those in less fortunate circumstances, but also of businessmen, of farmers and of other groups.

"The accumulation of unsalable surpluses both by businessmen and by farmers has fostered in them an attitude of supplication toward national treasuries asking that governments buy their goods and dispose of them in some way, even at heavy expense to the public purse.

"Governments have virtually been invited to assume increased responsibility for the operation of the economic machine. The spirit of self-reliance that used to be the hallmark of free men seems to have been degenerating. It is little wonder, therefore, that we hear the assertions of bureaucrats today that interference in economic affairs is 'the responsibility of government.'

"Businessmen and others who have helped to develop this attitude in the bureaucrats have failed to see that they have thereby become partners in forging the chains with which they are being bound. Yet they have no right to look to government for aid unless at the same time they are willing to accept such terms and controls as government may impose on them."

That is plain speaking but it is the truth. A big broad path has been worn to Ottawa and Washington by so-called free citizens seeking special favors that in the end mean higher costs, less competition, higher taxes and more government control.

Unless we change our way that sort of thing can only lead to the same state domination which threatens so large a part of the world today.

Can't Legislate Tolerance

That the crusade for a Bill of Rights from Ottawa is inspired by the most laudable motives there can be no doubt. The goal of an Act of Parliament which will define freedom of the press, of religion, of speech and of all the other aspects of human rights appeals to all who deplore discrimination and intolerance. But there remain valid doubts as to whether the mere passing of a Bill would achieve its primary purpose.

The odds are that it would not. You cannot legislate tolerance into existence. And tolerance is the only weapon that will conquer discrimination, be it directed against racial groups or any other minority. It is all very well to say that race, color or creed shall be no bar to anyone, but mere saying so will not accomplish anything while prejudice remains unchecked. Nor will the provision of penalties for those found guilty of discrimination afford any real protection. Equality of opportunity lies not along the path of law-making, but of education. A better understanding of our fellow men and the development of a national spirit of tolerance and sound thinking would make a Bill of Rights unnecessary. The passing of an unworkable Act of Parliament would merely widen the chasm.

Indeed, there is a direct and immediate danger in such an Act. The moment it becomes unlawful, for instance, to refuse employment to a man because he belongs to some minority group, the employer's position becomes untenable. Let him turn down a Negro applicant, for any one of a number of good reasons, and hire a white. The onus then becomes his to prove that there was no discrimination. From there it is only a step to the next phase, where the employer finds it safer to hire unsuitable, even undesirable, members of minority groups in preference to the workers he really needs, rather than run the risk of prosecution. Thus the mere outlawing of one form of discrimination ushers in a new and more insidious form. The implication is worth bearing in mind when considering the possible consequences of a measure which, on the surface, seems entirely praiseworthy.

Silence Doesn't Help

Private enterprise must speak out and keep people informed in a language that everyone understands. That sound advice was again stressed by A. S. Igleheart, president of General Foods Corp. in a recent New York speech.

Management's ineptness at communicating ideas and information to employees, was particularly blamed by Mr. Igleheart for the growth of communism. He pointed out:

"Management is not doing a sufficient information job when 25 million people (in the United States) remain unconvinced of the merit of the system and only one worker in five gets any facts at all about profits and wages.

"Top management must support improved information to its employees until 'every member of the team is asking questions and getting answers and giving answers.'

"Business heads must be frank rather than dispense half-truths or distortions of fact.

"Management's story must be told so that the ordinary person can understand it. The use of business terminology must be brought down to earth and to its true meaning.

"Businessmen must not be afraid to speak boldly and not be afraid to present their side of the question in controversial issues.

"Management should be willing 'to put time, effort and money into the task of vindicating itself before a questioning public.'"

Canadian company reports as a class are generally less informative than U. S. reports. Both countries have been built up and developed by private enterprise and initiative. Business executives should tell the story of their achievements as fully and simply as possible.

Real Educational Job

Some badly needed missionary work is about to be undertaken by the Junior Chamber of Commerce, a national organization embracing all the Junior Chambers of Commerce, Junior Boards of Trade and Young Men's Sections of senior boards in Canadian cities and towns.

In a double-edged campaign its members will seek to bring more U. S. dollars into Canada by encouraging American visitors to holiday here. At the same time they will stress among Canadians the need for conserving those U. S. dollars by turning them in to the banks.

Their tourist promotion activities will not be limited to singing the praises of Canada's vacation attractions. Rather, they plan to explain to Americans some of the reasons for our present currency and trade restrictions; to point out that Canada spends $2 in the United States for every U. S. dollar spent here; and to make it clear that U. S. dollars spent in Canada go right back to the United States to purchase coal, oil, steel, cotton and other vitally essential materials.

On the domestic side, the educational aspect of their program is even more important. They have undertaken the difficult task of explaining why it is so vitally important to turn in U. S. dollars so they may be used for these essential purchases. In one sense they will virtually have to change the thinking of large groups of Canadians, who still consider it "smart" to cheat the Customs, chisel on their income tax returns or evade foreign exchange regulations. Their answer is that those who play around with U. S. currency are playing with jobs — perhaps their own jobs — and that the penalty for failure in our present crisis is too extreme for Canadians as a whole to tolerate even one foreign exchange chiseler.

It is encouraging to see young men embarking freely and enthusiastically on a task of this magnitude. They will need, and should be able to count on, every assistance from businessmen and other organizations. Banks can help by making the exchange of currency simple, quick and painless. Business can help by setting the example in its own handling of foreign exchange.

The Role of Management

Management's key role in present day economics was well described in the following paragraph from the presidential report of George W. Huggett before last week's annual meeting of shareholders of Canadian Industries Ltd.:

"The public, as consumer, demands the lowest possible prices. The public, as worker, presses for high wages and shorter hours. To add to the difficulty, the Government contributes to the high level of costs through the medium of taxation. It is management's task to arrive at a fair balance between these conflicting interests. If prices are too high, demand will be curtailed. Too low prices, on the other hand, can mean only that the stockholder for a time subsidizes society, and eventually the funds available for new investment undergo a decline."

In any successful business there are four partners. There is the worker who produces the goods, the consumer who uses them, the investor who puts up the finances and management who is responsible for the smooth co-operation of the other three. If anyone thinks the latter's job is simple or unnecessary he should ponder that apt description from the head of one of the country's largest industries.

Scots Set an Example

Hotel proprietors in Scotland are prepared to spend a total of £2 millions providing improved accommodation for tourists, and they do not want any outside financial aid.

This was specially stressed by the chairman of the Scottish Tourist Board when he said: "We have not taken a penny of government money. When we do that we are subject to majority controls from the Tourist Association in London. We are subject to inhibitions and prohibitions, and from the hour we do that our independent usefulness to a great Scottish industry has gone."

Scotland sets us a good example especially at this time when governments are so generous with the taxpayers' money. As Lady Grant, M.P. for South Aberdeen, said in Parliament: "The attitude of mind of many in Britain today is: 'The world owes me a living, and what is more I want it delivered to my own front door'."

Why We Don't Work Harder

In announcing that her skating daughter had turned down a $7,500 a week Hollywood contract, Mrs. Clyde Scott made this significant observation to a group of Montreal newspapermen:

"Barbara Ann is not considering any contracts. She considers herself a good Canadian but sees no reason why she should work terribly hard and then have to turn most of her earnings over to the Government."

It is to be hoped that Budgetmaker Abbott read and digested that little paragraph. And thousands of other people who blithely urge our various governments to spend more and more for this and that could read and digest it with considerable profit, too.

The average person does not relish the idea of working hard for money that he is not going to be allowed to spend. Idealists may argue this is a selfish way to look at it, but they must also admit that it is the way human nature works.

There are literally thousands of able-bodied, normally ambitious citizens who today are not working as hard as they could work, are not producing as much food and other goods as they could produce, simply because high taxes have removed the chief incentive to work harder. These people have seen the Government take 40 or more per cent of their total earnings over a certain figure. At the same time they feel that Ottawa has made no real effort to curb its own inflationary spending. Instead of working harder they have decided to go fishing.

That may be a good thing for their own health but it is not a good thing for the country generally and especially for a young country like Canada where there is so much work to be done.

Napier Moore's ScratchPad

WITH AN ONTARIO ELECTION coming in June and political candidates getting preparedness warnings in other parts of the land, we are reminded of a profound observation made to us in the early thirties. On a rural station platform, waiting for a train, we got into conversation with a country storekeeper-postmaster. He looked about 85. There was wisdom in his eye. So far as politics were concerned, the color he had known in his youth was gone. Sighing deeply, he said: "The trouble with these modern politicians is that they drink too much water. Watch 'em on a platform. They're always stopping in their speeches to drink a glass of water. They'd get along a darn sight better if they kept their throats dry. D'you ever think of the old-time politicians? They kept their throats dry and got so husky that folks just knew their hearts were breaking over the plight of the country. And they got elected. You can't get anywhere with a damp throat!"

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A SUCCESS STORY with an unusual twist is told in Canadian Hotel Review and Restaurant. Julius M. Cantor was born in Russia and raised in Palestine. Graduating from Tel Aviv college, he went to the United States. He took his M.A. at Columbia, graduated from New York University Law School, got a B.Sc. degree at Pittsburgh University, did postgraduate work at University of Minnesota. At some period in his educational peregrinations he won a scholarship to the Paris Sorbonne.

A year or so ago Cantor was practicing law in New York City when a brother, Meyer, who ran a boarding, steak and catering house in Montreal, died. In Montreal to settle up Meyer's business affairs, Julius decided that menus were more interesting than law books. Today he is part owner and manager of the redesigned, atmospheric restaurant, which features Romanian dishes. And he's having the time of his life.

• • •

THE POST recently went after U. S. columnist Drew Pearson for giving exclusive credit to an American for the invention of radar. It was Sir Robert A. Watson-Watt, British scientist, who perfected that apparatus.

'Twas ever thus. Some years ago Waldemar Kaempffert, science editor of the New York Times, was moved to write an article putting his fellow countrymen straight concerning quite a lot of inventions. He pointed out that in England William Symington successfully operated a paddle-wheel steamboat 20 years before Robert Fulton built his; that de Rivaz, A Swiss; Lenoir, a Frenchman; Marcus, an Austrian, and Daimler and Benz were building gas-driven cars before Henry Ford was heard of. Four-wheel brakes were used in England in 1904. Europeans knew a lot about airplanes before the Wrights made their first flight. A German, Von Sommering, invented an electric telegraph 28 years before Morse. In France, Lumières made a motion picture film in 1895. Joseph W. Swan, Englishman, invented the electric incandescent lamp simultaneously with Edison's discovery. The Scotch reaper was in use 26 years before Cyrus McCormick made his. The French had sewing machines long before Elias Howe. Television was invented by a Scot, John Baird.

Mr. Kaempffert gave a heap more evidence to show that it has been in adaptability and mass production rather than in fundamental invention that the U. S. has held the lead.

• • •

HAVING REPORTED that Premier Douglas of Saskatchewan had accepted invitations to address both of the rival Canadian and Empire Clubs in Toronto in the same week, we must also chronicle the fact that he delivered two entirely different speeches and attracted two goodly sized audiences. Nor did Mr. Douglas, in the citadel of Free Enterprise, attempt to convert his listeners to CCF-ism. He didn't even extol Saskatchewan, about which province we once heard a metaphor we regard as a classic. It was at the Press Day luncheon of the Canadian National Exhibition in 1930 when Hon. J. F. Bryant, the then Regina Government's Minister of Public Works, wound up a burst of oratory with, "Saskatchewan—the brightest gem on the shirtfront of Canada!"

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THE OFFICE of the Australian High Commissioner in Ottawa notifies us that a "noise ray" from a supersonic apparatus is being used by the Sydney Water Board to keep birds away from the open reservoirs which supply the city. We long for some such gadget every time we get our car washed. We have pigeons in the neighborhood.

Stop Me If—

Tom: Which is better satisfied—a man with a million dollars, or a man with six kids?

Joe: A man with six kids.

Tom: Can you prove it?

Joe: Sure. A man with a million wants more.

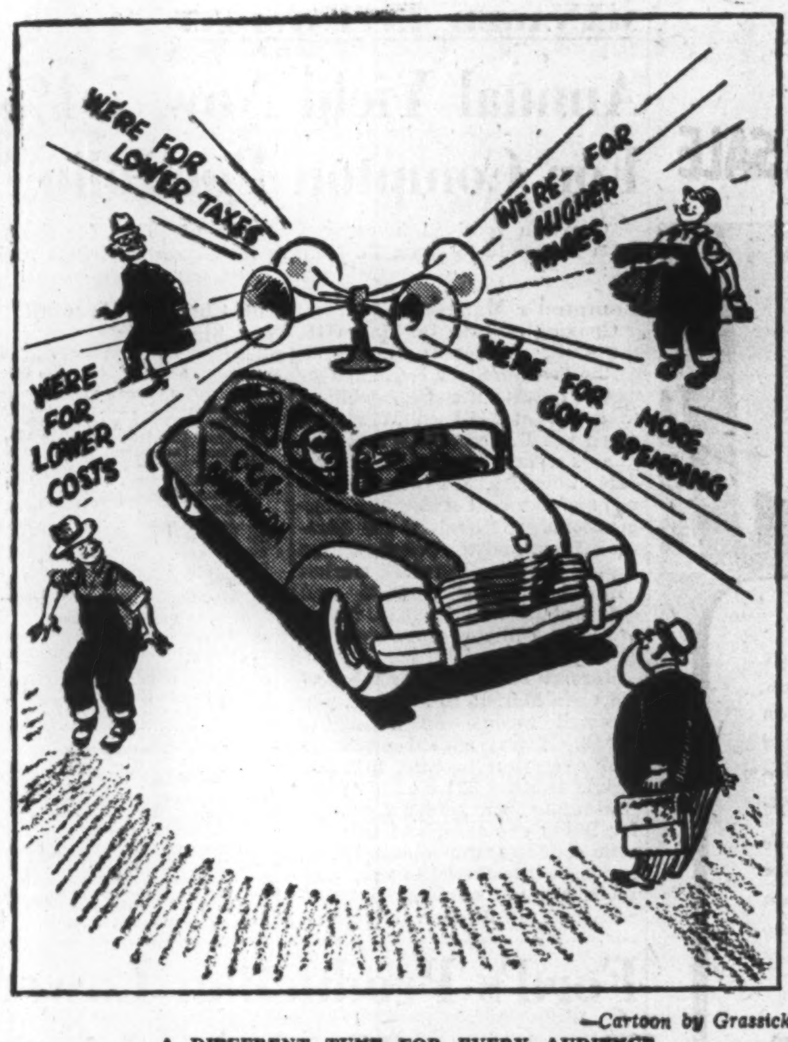
• • •

A certain wealthy Chicago broker fell in love with an illiterate young woman while on a hunting trip years ago. He took the precaution of sending her away to school before giving her his name, but when she had been educated and provided with the proper social polish he changed his mind. The young woman sued him for breach of promise.

"I didn't mind paying the stiff bill her lawyer presented to me — except one item," he complained.

"What was that?" a sympathetic friend enquired.

"To loss of time while improving my mind, $3,000."



—Cartoon by Grassick.

A DIFFERENT TUNE FOR EVERY AUDIENCE

Post Scripts

New Imperial GM

Important changes in the executive of the Imperial Bank of Canada are announced this week. R. S. Waldie, president since 1943 becomes chairman of the board, W. G. More, general manager for the last four years, vice-president since 1945, becomes president and I. K. Johnston, formerly assistant general manager is appointed general manager.

MR. JOHNSTON

Like many another Canadian banker, Iredell Killaly Johnston is of Scottish descent. But his ancestors reached Canada through the southern states.

His father, Rev. Gabriel Johnston, D.D., was rector of Holy Trinity Church, Welland, Ont., and married Alice Kate Killaly of Cornwall, Ont., thus the Killaly in the new general manager's name.

Mr. Johnston was brought up as a banker, joining the bank's staff in 1904 when he left school. His service included many branches in Ontario and he served successively as manager at Preston, Essex, Ingersoll, St. Thomas, Brantford and London. In 1931 he became supervisor at head office, in 1938 general supervisor. During the war he served for a time as deputy co-ordinator of foods for Canada, returning to the bank in 1943 as assistant general manager.

Mr. Johnston married Helen Richardson of Ingersoll in 1923. They have two daughters who, friends say, manage father very well. The Johnstons are a home-loving family with keen interest in the arts, books, particularly biographical studies, being Mr. Johnston's hobby. An Anglican, he is a member of the RCYC and of the National Club, Toronto.

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G & M Editor-in-chief

Young (37) Oakley Dalgleish, a $22-a-week reporter in the thin thirties, recently became the occupant of one of the more important newspaper offices in Canada: he was named editor-in-chief of the Toronto Globe and Mail.

Despite his years, the appointment was no surprise. Dalgleish, a product of Western Canada and British newspapers, had been acting editor during the long illness of veteran newspaperman A. A. McIntosh.

When McIntosh retired, Dalgleish got the nod from Publisher George McCullagh, who incidentally, is about the same age as his new editor-in-chief.

Except for a year or so, Dalgleish, a slim, fast-moving man, has been with the Toronto paper since 1935; first with the old Globe and later, the Globe and Mail. He started out as a general news reporter, got his break on the editorial-writing side as a summer replacement while the regulars were on vacation.

He stuck and was a fixture as an editorial writer until he left in 1939. For a while he worked on "News" a Toronto weekly review of current events, run by Judith Robinson, who had been an editorial-writing colleague of Dalgleish on the Globe and Mail. She left shortly before Dalgleish.

Shortly after the outbreak of war, Dalgleish moved on to Ottawa and a job with the original government information service (DBI). A year later he was back with the Globe and Mail as Ottawa correspondent. Not long after, he was back at his old desk in Toronto as an editorial writer.

Dalgleish, who has two boys, 11 and 10, was born in New Liskeard, Ont. But the West can legitimately add his name to the imposing list of western newspapermen who have made good in the East. As an infant of two, he went to Moose Jaw with his parents, where his father still runs a contracting business.

After attending local schools, Editor Dalgleish entered University of Toronto in 1927 to study commerce and finance. He quit before the end of his second year; he wanted to be a newspaperman. He got his start on the old Vancouver Star, stuck it for a few months, then moved East to the old Regina Star. Both papers are now defunct.

Leaving Regina, Dalgleish eventually ended up in England as a free-lance writer and roving correspondent for the Sifton papers. Finding the going tough, he landed a job with Beaverbrook's Daily Express, later moving over to the Morning Post. He worked out of Madrid, Berlin, Geneva and Vienna, then Washington. From there he hopped to Toronto and a job with the old Globe.

Today as Editor-in-Chief of the Globe and Mail, Dalgleish, under the watchful eye of Publisher McCullagh, is boss of the paper's aggressive, but often ponderous editorial page and its five editorial writers. Except on the high policy level, he has little or nothing to do with actual news gathering.

His day begins about 11.30 a.m. At noon, there's the important editorial conference. Dalgleish and his five editorial writers have lunch with Publisher McCullagh in the latter's penthouse suite atop the paper's gleaming modernistic building at the corner of King and York Sts. in downtown Toronto.

There they discuss the day's news, decide on the editorial's for the following morning's paper, thresh out in informal, but often heated discussion, what line they will take. Then each man gets his assignment (one a day) which has to be turned in by 7 p.m.

This is the general pattern. But it can and does vary, particularly when the Globe and Mail decides to stick its neck out editorially (which it does frequently). Then a lot of research is required. About 7.30, Dalgleish makes an ineffectual stab at cleaning up his desk, climbs into his car and drives 20 miles to his home in Erindale.

• • •

Heads Restaurant Men

Canadian Restaurant Association members at their recent annual meeting in Toronto elected a Calgary man as new president. He is 46-year-old Horace King, proprietor of the Tea Kettle Inn and a restaurant operator of 25 years' experience. A non-smoker and a nondrinker, quiet-spoken King has devoted much time to the study of labor relations and his employees are among the highest paid in the Prairie Provinces.

MR. KING

King got into the restaurant business, quite by accident. He and his father operated an antique firm and used to display several articles on the shelves of the Tea Kettle Inn. When the management of the restaurant went out of business in 1925, he and other members of his family took over. His sister, Mrs. Mildred Snowden, a dietitian, assumed control of the food end of the business. His brother Walter King became a silent partner shareholder and three years ago became an active partner. Famous for good food, the restaurant caters to better-than average trade. It hires no male help. Tried as an experiment the plan has worked excellently. Two members of the staff have worked a total of 32 years as kitchen staff.

King believes that the restaurant association can play a large part in Canadian affairs. As the country's fourth largest industry, he feels that it should have a voice in all national affairs and he intends to work to this end. He has been a director of the Canadian Restaurant Association since its inception and was president of Calgary and district branch before and after affiliation with Dominion-wide body.

What Others Are Saying

Editorial of the Week

The Tragedy of the Senate

Farm and Ranch Review (Calgary)

The Canadian Senate today is a Canadian tragedy. It is a tragedy of lost opportunity and wasted effort. This body of men might well be one of the most valuable the country could have.

The Senate could function as a continuing auditor of Canadian democracy. It could do all kinds of useful work for Parliament. It might conduct all manner of investigations. But as a repository for aged party hacks it does nothing.

The measure of the Senate's stature today is the contempt with which it is treated by the whole of the Ottawa Press Gallery which for years has boycotted its meetings.

The Canadian Senate consists of 87 members who are paid $6,000 a year each. Theoretically they are supposed to represent the provinces and by law must be residents of the provinces from which they are appointed. Yet it has not been uncommon, despite the law, for Senators to abandon the provinces they are supposed to represent and take up residence elsewhere.

In such an atmosphere, patriotic citizens who enter the Senate with an honest desire to serve their country are beaten before they start. Before they can serve their country the Senate must be reformed. It ought to be completely reconstructed and made into the useful democratic instrument it can be. Senate reform was once a popular issue in Canada. It's an issue that should be resurrected, for Senate reform was never in more serious need than it is today.

Other People's Views

WHAT'S THE MYSTERY behind the Government's opposition to margarine, asks the **Halifax Herald**? "It is difficult to square (its) stubborn attitude with the response which public authority is supposed to show toward the people's will."

CAVALRY STILL HAVE A PLACE in one country of the world, reports the **Brockville Recorder and Times**. "Two hundred stallions and mares for the Ethiopian cavalry are being bought in Australia."

THE WEST'S BEST CHANCE of re-establishing its position in the nation and defending its just position in national policy, in the opinion of the **Winnipeg Free Press**, "appears to lie in a revival of the Liberal party on the basis of true Liberal policy. The return to Liberal policy and the election of men prepared to vote for it in Parliament are equally essential. It is toward both that the West should be moving now while there is yet time, before the nation's policies have solidified against it."

INCOME AND SALES TAXES should both be reduced declares the **Sherbrooke Record**. "With a surplus of at least $800 millions for the past fiscal year and with revenues continuing to mount, the Government could well consider giving some effective relief to the taxpayer. This relief could take a double form — the reduction of the income tax to provide greater take-home pay for the worker and the slashing of sales and excise taxes to bring down the cost of living."

HIGH SALARIES are the cheapest in public employment asserts the **Vancouver Sun**. "Politicians are inclined to fear that low-income taxpayers will resent high salaries. Actually, all classes of taxpayers are anxious to get efficient government service. If high salaries must be paid for efficiency, the money is well spent. An inefficient administrator can easily waste his whole salary many times over in a single day by making one wrong decision. A high-salaried official who earns his pay is the cheapest employee in the long run."

VIOLENCE AND TREACHERY don't have to be tolerated in this country, asserts the **Calgary Herald**. "Opinion is free, and should so remain. We support any man's right to denounce private ownership and to praise common ownership. We support any man's right to denounce Canada and to praise Russia. But when opinions become deeds—deeds that range from petty violence to large-scale treachery—then tolerance becomes a foolish, and even a dangerous, policy. There are some things Canadians don't have to tolerate, and a foreign fifth column is one of them."

The Financial Post

Member Audit Bureau of Circulations
Member Business Newspapers Association of Canada

A weekly newspaper presenting in a popular manner reliable information respecting investments, business and national affairs in Canada.

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Advertising Service: Reg. V. Nicholls.

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Subscription Terms: Single copies, 15c. Yearly: In Canada and British Countries (except Australia) $5; Australia, U.S.A., Mexico, Central and South America, France, Spain, $6; other countries, $7.

Advertising Rates: Single insertion, $4.90 per inch. Contract terms upon request.

Authorized as second-class mail, Post Office Department, Ottawa.

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Printed and Published by
MACLEAN-HUNTER
Publishing Company Limited
481 University Avenue, Toronto 2

JOHN BAYNE MACLEAN, Founder and Chairman	HORACE T. HUNTER, President
FLOYD S. CHALMERS, Executive Vice-President	THOMAS H. HOWSE, Vice-President and Treasurer

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OTHER SERVICES: Canadian Press Clipping Service.

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MONTREAL Centre 2: Dominion Square Bldg., Marquette 2331. NEW YORK 18: 522 Fifth Ave., Murray Hill 2-7888. CHICAGO 6: 309 West Jackson Blvd., Harrison 7890. LONDON: Maclean-Hunter Limited, Sun Life of Canada Bldg., Trafalgar Square, London S.W.1. Cable Atabek. Whitehall 6642-3.

May 1, 1948

Revive Compulsory Savings?

The Question: Instead of Cutting Income Taxes at This Time, Should a Certain Proportion be Earmarked for Refunding to Taxpayers When Purchasing Power Falls Below a Specified Level?

Canadians don't want a revival of compulsory savings, according to a large majority of those answering a Financial Post questionnaire. They contended that taxes should be reduced as soon as possible, instead of building up a backlog for refunding later. The purpose of further compulsory savings would be to curb inflationary spending at the present time; but several took the view that such a system would defeat its own aim; so long as the taxpayers knew a refund was in store, they would spend it in advance. The minority favoring the proposal, viewed it as a weapon in the continuing battle against inflation.

PROF H. F. ANGUS, University of British Columbia, Vancouver.

There is much to be said for keeping taxes high now, to check private expenditures, and for reducing taxes when increased expenditures are desirable to support prices, but if it were announced in advance that certain taxes, for instance part of the personal income tax, would be refunded in the event of a depression, the taxpayers concerned might count on this provision for the future, and increase their expenditures today, thus defeating the purpose of the plan. Besides, in a depression, those who need relief most, may not be those who pay income taxes today.

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FRANK H. BROWN, former head Income Tax Department, Ottawa, now Financial Advisor, Vancouver.

In view of a 16% increase in the cost-of-living index in a year, need for relief in lower income brackets, at least, is immediate and no logical basis exists for an enforced saving plan for great majority of taxpayers. Moreover, refundable schemes are inevitably complicated for taxpayers and tax collectors alike, and are contrary to present trend towards simplification. I believe a reduction in sales and excise taxes will do more to relieve financial problems of the average married man than income tax cuts, though tax exemptions might reasonably be raised by the 16% increase in the cost-of-living index.

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D. A. CAMPBELL, President, St. Lawrence Flour Mills Ltd., Montreal.

Apparently the huge federal surplus is being used, in part, only to reduce Canadian government liability to banks (national debt). This is not in accord with proper Parliamentary practice. Parliament is supposed to budget each year for its expenditures and to set such taxes as will defray them. The present Parliament shows little evidence of studying the essentials. Instead, all parties vie to devise new vote-catching expenditures to promote personal or party advantage, always keeping the available surplus in view. There should be no surplus. Surpluses belong to those who pay taxes, and income taxes should be reduced to bring the budget into balance. I am opposed to continuing present income tax rates with suggested future refunds.

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PROF. J. D. CAMPBELL, University of Alberta, Edmonton.

If the policy of forced savings will relieve the potential pressures on the price structure of our economy, it will stand consideration. With the concrete evidence of the 1942 refundable portion, the general public may be more receptive to a savings plan than it otherwise might be. It is doubtful that this type of regimentation would meet with a favorable response under peacetime conditions. The significance of the potential size of the income tax cuts, as well as the strata of the economy involved, must be considered in determining the effectiveness of the type of policy envisaged.

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JOSEPH H. COPEMAN, Partner, Greenshields & Co., Montreal.

A reduction in personal income taxes or earmarking a portion for later refunding seems to me definitely less important than that something should be done to lessen or eliminate the present double taxation on corporation dividends. Such a move, through the stimulation it would give to equity financing, would be of greater value to sustaining and increasing employment than any other change in taxation schedules of which I can think.

• • •

MONTEATH DOUGLAS, Director, Canadian Tax Foundation, Toronto.

In view of heavy capital outlays, inflation, low exchange reserves, and further obligations in our own interests to overseas recovery, I think we should continue straighforward debt reduction out of revenue surplus while the going is good, and avoid saddling income tax with forced loans of contingent maturity which in the circumstances, would simply mean added debt turnover.

• • •

COURTLAND ELLIOTT, Director, A. E. Ames & Co., Toronto.

Where is your faith in the good sense of your fellow Canadians? Your question implies that there is some authoritarian intelligence in government which is superior to the free decisions of free men in a free economy. I suggest respectfully that there is no historical basis for any such conclusion. Already we have no rights of selection in the services we buy from government, and no control over the price we pay. Forced saving merely extends the area of arbitrary intervention; it would be an affront to the dignity of the individual intellect. As an economic measure, there is no evidence that tax funds in the hands of government are any less inflationary than in the hands of taxpayers. I see nothing to commend the proposal.

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J. GERALD GODSOE, Executive Vice-President, British American Oil Co., Toronto.

The present level of income taxes serves to destroy initiative and incentive. A young country like Canada, in need of development, requires this spur more than any other country. Accordingly, income taxes should be reduced wherever possible and as quickly as possible. In view of our present-day inflation and its continued trend, so long as there are shortages, it is the part of wisdom for the public to defer until another day, purchases not immediately necessary. However, for my part I favor educational measures rather than government action. The man on the street is a pretty sensible fellow, once he is properly acquainted with the facts, but I do not think, particularly of late, that we have done nearly enough to so acquaint him.

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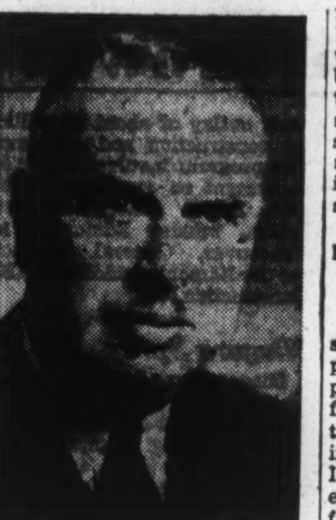
MOLYNEAUX GORDON, K.C. Toronto, author of several legal reference books on income and excess profit taxes.

The rise in the cost of living is a major problem which confronts all. If take-home pay is reduced by taxes, demands will be made for higher wages, which in turn increase the cost of living. Everyone will benefit if taxes on wage earners are reduced. The refundable tax imposed in 1942 was a serious mistake; many munition workers demanded higher wages, which the Government had to pay. In addition, the extra tax must now be returned. Why repeat this mistake?

• • •

LT.-COL. F. FRASER HUNTER, Former Member of Ontario Legislature, Durham, Ont.

Something in the ginger jar for rainy days is sound; why not in our individual jar? Every government now boasts a surplus which could reduce debt; why give the Government another pork barrel? Free Canadians can use individual jars for emergency help. High income taxes in the past decade condemned half the human society to bankruptcy and dictatorships. At the same rate of increase, the next 10 years will produce world economic chaos. Reduce taxes immediately; then labor can gain its just reward. Barbara Ann prefers freedom to wasting her talents upon salaries for income tax collectors and politicians. Ask any industrial worker.



W. ERIC PHILLIPS

has been elected a director of Canadian Breweries Ltd.

• • •

T. D. M. LATTA, Toronto General Trusts Corp., Toronto.

I favor steps to protect our economy against emergencies, but not the proposed plan. If it is advisable to build up a reserve to stimulate our economy when times are slack, this should be budgeted for in the ordinary way, and not by an excessive income tax. Unless in an emergency like the late war, our income tax should not be set beyond the immediate need, and the taxpayer should not be asked to contribute on the basis that he will get a refund in circumstances which might never arise. Political expediency might unfortunately determine when the refund should be made.

• • •

LEOPOLD MACAULAY, Former Provincial Secretary and Highways Minister, Ontario.

The battle against inflation is still raging and needs the help of every citizen to end it victoriously. Income tax is a legitimate and powerful weapon in the fight. A portion of the present tax, 25%, should be earmarked for refunding in three years, or when price level falls to the 1942 level, whichever first occurs. Such compulsory savings is preferable to an unconditional cut of 25%.

• • •

FLETCHER RUARK, Former secretary, Hiram Walker, Gooderham & Worts, Walkerville.

I strongly favor cutting income tax now instead of the proposed earmarking for refunding to taxpayers when purchasing power falls below a specified level. I believe reduction in income tax will help the individual, stimulate business, encourage the manufacturer, help to maintain employment, and thus prevent any serious slump. The public always responds more favorably to definite action now, rather than to some future promised benefit.

• • •

LANCELOT J. SMITH, Chartered Accountant, Gunn Roberts & Co., Toronto.

I would regret any return to a system of taxation involving compulsory savings or a refundable portion of tax. The imposition of forced savings interferes with the taxpayer's right to invest his savings according to his own choice. It is difficult enough for the present generation to accumulate sufficient capital out of income to finance business ventures, without diverting any part of savings to a government investment. Reimposition of forced savings would give the income tax division an administration headache, and inflict on the public a complicated tax structure in place of the relatively simply one which was made effective for 1947 after many years of the baffling "put and take" system. Whether income taxes are reduced or not is a matter of government policy; but let us not go back to a system of compulsory savings.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

ALFRED LAMBERT INC. 1947 net profit was up 76%. Sales were $11,501,631 as compared with $9,525,786. Despite difficulties, 1947 financial results were the most important in company's history, President Aristide Cousineau states. Standard profit of all the companies has been definitely confirmed by the Board of Referees, which will result in a refund of income tax of $204,000 for prior years. On the other hand, the refundable portion of excess profits tax is reduced by an amount of $61,862 resulting from final determination of the amount of standard profit.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Sales	$11,501,631	$9,525,786
Net earnings	444,311	421,603
Less: Bond int.	30,723	22,419
Depreciation	43,503	40,429
Taxes	163,500	188,100
Add: Invent. res. tsf.	83,740	......
Net profit	[illegible]	170,643
Less: Pref. divd.	30,000	24,387
Surplus for year	270,325	146,256
Earnings per Share and Dividend Record:		
Preferred	$10.01	$5.60
Paid (new)	5%	2½%
Paid (old)	....	3%
Common	3.60	1.95
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$669,278	$207,516
Accts. rec.	451,517	351,031
Invent.	2,318,019	2,033,406
Life ins. c.s.v.	19,300	16,000
Total curr. assets	3,458,214	2,606,[illegible]
Prep. exp.‡	15,663	23,786
Misc. assets▲	73,294	175,256
Fixed assets*	1,454,629	421,966
Total assets	5,001,820	3,229,583
Accts. and tax. pay.	1,236,381	1,081,212
Other curr. liabs.	125,547	150,041
Total curr. liabs.	1,361,928	1,231,253
Funded debt	935,000	385,000
F. a. reval. res.	980,423	......
Invent. res.	......	79,023
Capital stock	675,000	675,000
Surplus‡	†1,030,439	859,317
*After depr. of	116,135	389,625
▲Incl. ref. EPT	73,294	135,156

†Incl. $204,000 credit adjust. pr. yrs. excess prof. tax.
‡Incl. in curr. assets in co's. report.

Working capital	2,096,276	1,377,300

MONTREAL TRAMWAYS CO. 1947 operations resulted in a net loss of $378,245 as compared with a profit of $238,873 for 1946. Gross revenues fell short by the sum of $456,813, in providing the return on capital value to which the company is entitled (a return of 6% after all charges).

Revenue passengers carried were 398,349,773, an increase of 1,869,284 and the largest number carried in any one year. Tramways operated 35,617,890 miles, buses 15,299,537 and trolley buses 329,977 miles. Total amount expended on capital account during the year was $3,624,864—173,046 for track and electric construction, $831,224 for buildings, $1,539,480 for 90 gas buses and $856,484 for 40 trolley buses.

On Jan. 30, 1948, the Montreal Tramways Commission established new tariffs of fares, but the operation of new rates has been suspended by an act of the Quebec Legislature. The Act amends the contract between the city of Montreal and the company and provides for the appointment of three arbitrators to hear and finally decide on any appeal from a decision of the Montreal Tramways Commission increasing tariffs. Appeals have been taken by the city and other municipalities from the Commission's decision and the company has entered a cross appeal. The Act also directs arbitrators as follows: "To make a careful study of the Montreal Tramways Co. since 1911 with a view to an appropriate, fair and final settlement of this question and furnish the Lieutenant-Governor in Council with a report of their findings and suggestions on the subject."

The company is presently awaiting issue of assessments for the year 1942 and subsequent years. A labor agreement was entered into with the Canadian Brotherhood of Railway Employees and Other Transport Workers which remains in effect until July 1, 1948. Wages were increased approximately 9%.

Conditions on company main lines, and especially in the central area, are worse than ever and have resulted in the further slowing down of all movement, thereby increasing cost of operations, President R. N. Watt states.

INCOME AND SURPLUS ACCOUNT

Years Ended Dec. 31:	1947	1946
Total revenue	$24,706,879	$24,739,581
Less: Oper. exps.	21,818,630	19,898,193
C. of Mtl. rental	125,000	500,000
Net oper. earns.	2,763,249	4,341,388
Less: Depr. res.	1,000,000	1,000,000
Bond interest	1,848,792	2,065,628
U. S. exchange	13,269	50,568
Res. for financing	......	187,377
Bond disc. & exp.	10,942	10,942
Bd. redempt. exp.	219,703	......
Income taxes	48,788	788,000
Net prof. & surp.	a378,245	238,873
aNet loss or deficit.		
Times Int.* Earned	1.48	2.05
*And exchange; before depreciation.		
Earnings per Share and Dividend Record:		
Com.: Earned	d$5.40	$3.41
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & call loans	$4,856,204	$7,650,677
Mkt. secs. at cost*	2,179,138	1,708,557
Accts. rec.	110,576	192,647
Inventories	1,405,041	1,178,234
Total curr. assets	8,550,959	10,730,115
Investments	5,521,922	5,846,922
Misc. assets▲	501,725	505,549
Fixed assets‡	44,555,158	43,234,935
Total assets	59,129,764	60,317,521
Accts., tax., etc., pay.	3,245,875	3,843,885
Other curr. liab.	2,273,671	1,741,460
Total curr. liab.	5,519,546	5,585,345
Funded debt	40,847,400	41,547,400
Company reserves	3,082,658	3,131,554
Contract reserves▲	402,843	706,600
Capital stock	7,000,000	7,000,000
Surplus	†2,277,317	2,346,562
‡After depr. of	13,035,871	12,132,492
*Market value	2,239,118	1,795,151
▲Incl. ref. EPT	291,884	291,834

†After transfer of $309,000 to conting. res.

Working capital	3,031,413	5,144,770

WESTERN HOMES LTD. 1947 net profit was $57,227 ($62,498 for 1946). Mortgages and sales agreements were $1,013,806 ($1,511,514); liquid assets at year end $1,097,482 ($1,661,039).

	1947	1946
Liab. to public, etc.*	$245,148	$53,478
Shareholders' equity	852,334	1,607,561
*Secured by:		
Mtge. & sales agree.	1,013,806	1,511,514
Realty for sale	47,072	99,380
Liquid assets†	36,604	50,145
Total	1,097,482	1,661,039
†Includes bonds and stocks.		
Earned per share‡	$2.27	$3.25
Paid	2.25	▲2.00

‡Based on new $25 par shs. paid up at Dec. 31, 1947. ▲On old $100 par shs.

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DUNCAN K. MacTAVISH, K.C., Vice-President
G. HAROLD BURLAND, Secretary-Treasurer

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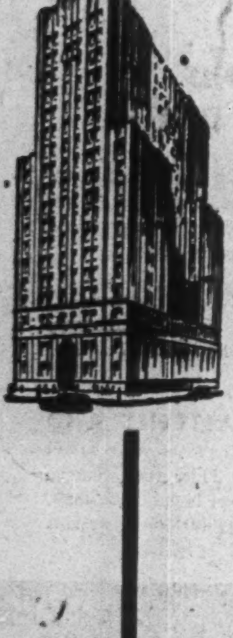

The Financial Statement of
THE CANADA PERMANENT TRUST COMPANY
for the year ending December 31, 1947 reports trust assets under administration at the all-time peak of
$69,145,851

THE RECORD OF THE LAST TWENTY YEARS:

	Trust Assets
1927	$14,976,322
1932	29,164,754
1937	46,551,733
1942	55,265,989
1947	69,145,891

This growth is a record of more and more people to whom the Company has given satisfactory service as Trustees.

A copy of the Annual Report for 1947 will be mailed upon request.

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A Nation-Wide Organisation for Trust Service

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W. L. Knowlton, Manager

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How well they succeeded is shown by Canada today . . . once more the New Land to which we welcome immigrants from overseas. May these "new Canadians" carry on the tradition . . . eagerly seeking the duties of citizenship with its right to the free, unhampered exercise of the franchise.

When YOU cast your vote at every election—municipal, provincial, federal—you are exercising a duty and privilege planned, worked and fought for by your forefathers. Your vote protects the future of your children. To fail in this duty is to be less than a good citizen.

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Waterfront of the Town of York (now Toronto) in 1832. Gooderham & Worts Mill in foreground.

Industrial Growth in Canada

Kiewel Brewing

Kiewel Brewing Co., St. Boniface (Winnipeg suburb), starts building addition. It is 3 stories and basement, 5,000 sq. ft. concrete and brick; architects Moody & Moore; contractor Swanson-Benson Co. The addition, designed for storage use, will permit expansion of production facilities in space now serving that purpose.

* * *

Utility Car

Utility Car Corp., new firm headed by Carl I. Jurak and Maurice Hebert, Quebec City, plans to rent space from Simeon Barma in the new suburban St. Malo industrial "community" (former arsenal) for development as an automobile assembly plant. City council has approved Barma's application to sublet and ratification by Quebec Municipal Commission is awaited. Utility Car Corp. is said planning to produce a small car to sell around $700 and with motor imported from England.

* * *

Garneau

Raoul Garneau & Sons, clothing, study contractors' tenders for possible immediate building of $400,000 Quebec City plant addition, four stories, 23,500 sq. ft. steel and stone; architects Bouchard & Rinfret.

* * *

Welch Grape

Welch Grape Juice, Westfield, N.Y., and St. Catharines, Ont., jointly with Ontario Grape Growers Co-operative, starts building new plant at St. Catharines estimated to cost about $500,000 with equipment; part two stories, 136 by 198 feet, steel, concrete and brick; architect and engineer Wiley and Spencer; contractor W. H. Yates Construction.

* * *

Sicks' Breweries

Sicks' Edmonton (head office Calgary; President R. B. H. Ker, Victoria) starts building addition for bottling. This, with new equipment and other improvements may cost about $500,000 and is scheduled for year-end completion. Including contemplated but as yet undated replacement of Sicks' Capilano plant at Vancouver, whole program represents outlay of about $4 millions for construction and equipment. The program involves major improvement or expansion at Regina, Prince Albert and Lethbridge, besides Edmonton and Vancouver. General contractor for the Edmonton addition is Bird Construction.

* * *

Niagara Spray

Niagara Brand Spray Co., Burlington, Ont., starts building addition to boost output of agricultural spraying equipment and materials, one story, 4,000 sq. ft., concrete block; engineer E. H. Darling; contractor, W. H. Cooper Construction.

* * *

Anglo-Can. Wire

Anglo-Canadian Wire Rope, in Montreal suburb of Lachine starts building small addition for wire storage which will release some existing space for moderate expansion of output, one story, 5,800 sq. ft., steel, concrete block and brick; architect David Shennan; contractor Foundation Co. of Canada.

* * *

Disston

Henry Disston & Sons, Toronto, Manager Thomas Coates, starts building plant extension to expand output of saws, machine knives, etc., one story, 17,000 sq. ft., steel and brick; architect N. A. Armstrong; contractor Milne & Nicholls Ltd. Estimated cost is about $120,000 with equipment.

* * *

Hamjea Plywood

Hamjea Plywood Co., Manager Maurice Rogers, starts production in Prairies' first plywood plant at Hudson Bay, Sask. Hamjea plans to begin exporting poplar plywood in July. The $30,000 plant expected to employ 30; use initially eight cords a day of birch and poplar logs.

* * *

Fine

Fine Children's Wear, Montreal, President S. J. Pearson, starts building new $80,000 factory at Quebec City, one story, 20,000 sq. ft., brick and stucco; architects Amyot, Marchand & Legare; contractor Barnabe et Fils Ltee.

* * *

Laurentian Silk

Laurentian Silk Mills, Montreal, starts building $40,000 extension at Cap de la Madeleine, Que.; contractor O. Boivin; concrete and brick.

* * *

Asten-Hill

Asten-Hill Ltd., Valleyfield, Que., subsidiary of Asten-Hill Manufacturing, Philadelphia, studies preliminary engineering drawings for possible early plant extension, one story, 10,300 sq. ft., steel and brick, with new power house and chimney; engineers, Robert A. Rankin & Co.; architect James Adam; estimated cost, $200,000. Asten-Hill makes asbestos felts for paper machines.

* * *

Drummond, McCall

Drummond McCall & Co., Montreal, starts building $75,000 extension, one story, 12,500 sq. ft., steel and brick; contractor A. F. Byers Construction. Will expand production of sling chains, shackles, hooks, swivels, cable chains, anchors.

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COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

ROYALITE OIL CO, profits rose more than $350,000 to $1,130,224 or $1.58 a share in 1947, reflecting increased prices received for crude oil from company's Turner Valley wells.

The company abandoned its No. 86 well in the northeast section of Turner Valley after the lime block was reached at too great a depth to afford commercial production. A second well was also drilled unsuccessfully to 10,401 ft. on the De Winton structure. Rights in this section are being released.

An exploratory well in the Blackfoot Indian Reserve area, 80 miles southeast of Calgary, is standing at 2,132 ft., temporarily shut down.

The management indicates that despite others' success at Leduc, Royalite attention will probably centre on activities in the Turner Valley area.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net inc. fr. oper.*	$2,852,722	$2,521,861
Add: Other rev.	58,215	42,363
Total net rev.	2,910,937	2,564,224
Less: Solicitors, exec. & dir. exp.	84,495	77,377
Nat. gas exp.	73,340	......
Amort. & depr. of wells	833,507	978,788
Depletion	38,383	44,805
Prov. for pension	263,204	96,115
Income taxes	487,784	616,885
Net profit	1,130,224	750,254
Less: Dividends	717,487	717,487
Surplus for year	412,737	32,767

*After all oper. & admin. expenses deducted.

Earnings per Share and Dividend Record:		
Earned	$1.58	$1.05
Paid	1.00	1.00

*CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & govt. bds.	$4,492,667	$3,312,550
Accts., etc., rec.	1,372,438	1,025,473
Mater. & supplies	817,125	838,450
Total curr. assets	6,682,230	5,176,478
Ref. EPT	43,684	43,684
Def. accts. rec.	2,500	2,530
Def. & prep. chgs.	231,681	102,060
Trust for emp. ann.	......	468,453
Invest. in subsid.	153,580	153,580
In other cos.	32,564	9,413
Land and leases†	534,179	583,725
Wells, bldgs., plant & equip.‡	3,839,893	4,557,618
Total assets	11,520,311	11,097,536
Accts., etc., pay.	1,183,129	686,511
Due to subsid.	2,972	903
Taxes pay.	354,306	399,962
Total curr. liab.	1,540,407	1,087,376
Def. credit	25,459	......
Res. for empl's. annuities	......	468,453
Res. for loss & damage to equip.	40,000	40,000
Capital stock	6,609,844	6,609,844
Capital surplus	431,175	431,174
Earned surplus▲	2,873,426	2,460,689
‡After depr. of	14,172,291	13,658,371
†After depl. of leases	1,646,473	1,607,535

*Of Royalite Oil and subsidiaries, Valley Pipe Line Co. and Madison Natural Gas Co. Ltd.

▲Includes $43,684 ref. EPT.

Working capital	5,141,823	4,089,097

FOOTHILLS OIL & GAS experienced a $250,000 increase in net profit to $702,528 or 48 cents a share in 1947, reflecting a higher price for crude oil. Production was approximately 72,000 bbls. lower at 480,303 bbls. although Nos. 25 and 26 wells were successfully brought into production during the year.

Possibility of drilling further wells on company's Turner Valley acreage are stated to be almost entirely dependent on the outcome of the No. 27 well, which had reached 8,638 ft. on Mar. 25. At best only a few additional locations are expected, it is stated.

Present policy is stated to be to distribute surplus funds when available, to shareholders, as company's properties are now almost completely developed.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Prod'n. revenue	$1,309,071	$1,098,187
Add: Inv. inc.	7,250	3,366
Less: Admin. exps.	361	361
Depreciation	362,025	414,803
Depletion	32,754	39,965
Inc. taxes	220,653	192,267
Inv. w/o	•2,000	1,500
Net profit	702,528	452,657
Less: Divds.	365,501	365,501
Surp. for year	337,027	87,156

•Credit.

Earned per Share	$0.48	$0.31
Paid	0.25	0.25

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$463,984	$196,68?
Dom. bds.	504,962	504,462
Accts. rec.	140,479	78,904
Mater. & supplies	4,115	3,452
Total curr. assets	1,113,540	783,501
Def. & prep. chgs.	4,535	900
Invest. in sub.	32,737	32,737
Land & leases‡	280,262	313,016
Plant, equip. and wells†	1,266,426	1,220,461
Total Assets	2,697,500	2,350,615
Accts. pay.	26,096	16,846
Taxes pay.	102,820	113,667
Total curr. liab.	128,916	130,513
Def. cr.	20,645	9,190
Capital stock	1,462,005	1,462,005
Surplus	1,085,934	748,907
†After depr. and amort. of	2,688,962	2,328,136
‡After depl. of	873,954	841,200
Working capital	984,624	652,988

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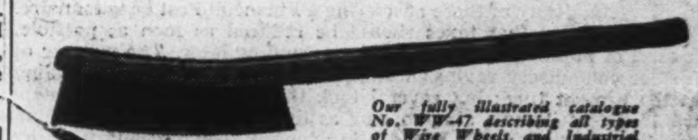

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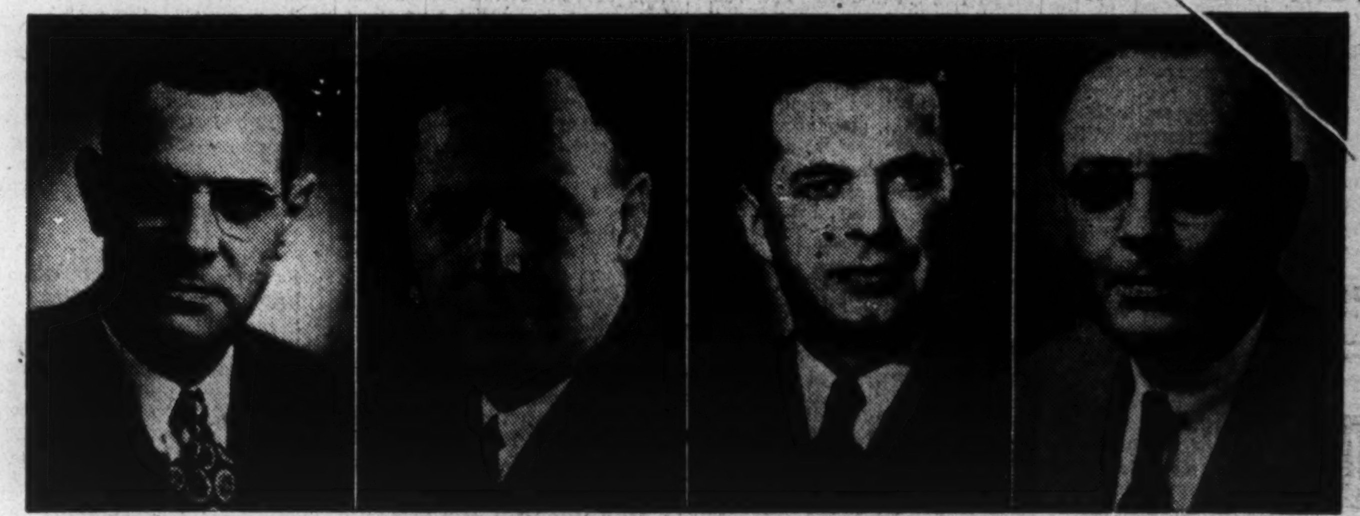

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Four newly-created offices were filled at a meeting of the Board of Directors following the annual meeting of shareholders of Ford Motor Company of Canada, Limited. Rhys M. Sale, vice-president, was elected to the new office of executive vice-president. Robert S. Bridge, director of manufacturing; J. M. Cochrane, director of purchasing, and Gregory G. Kew, treasurer and director of finance, were elected as vice-presidents. Douglas B. Greig was re-elected president; Frank G. Batters, secretary and assistant treasurer, and Gordon G. Dewar, assistant secretary. Members of the Board of Directors are Ernest R. Breech, executive vice-president of Ford Motor Company of Dearborn, Mich.; Mr. Bridge, Mr. Cochrane, Henry Ford II, president of Ford Motor Company of Dearborn, Mich.; Mr. Greig, Mr. Kew and Mr. Sale.

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What Is Benelux Lesson For Canadian Business?

(Continued from page 1)

tionality and regardless of which Benelux country contracted for them.

From the achievement of a common policy on all forms of taxation, it is but a step to a common policy on fiscal matters generally: to common central bank policy and to a common currency.

Many Industrial Problems

Achieving customs union isn't nearly so simple as it sometimes is made to sound.

And here is another big set of problems to be tackled. Committees are now working on them.

Take the steel industry for example. In Belgium, the steel industry is very substantial. Hollanders are eager to enlarge it. The Belgians say their production is and for many years will be entirely adequate for the needs of the Benelux countries. They want Holland to prohibit any enlargement of its steel industry. And that, of course, can be done because in both countries you must get government approval to start any industry.

Similar problems arise in almost every industry.

What they have done is to form a committee for each major industry. It is made up of a few officials and many top men of the particular industry. "They know far more about the present and future needs of the industry than any officials can," one Benelux officer told me.

Such committees will report on all proposals for industrial development and recommended to the particular government the action it should take in granting or withholding approval.

As a temporary measure, agreement between the three governments provides that for a list of some 16 industries, no permits for increased productive capacity will be granted without prior consultation with the other governments. Included on the list of industries are glass, copper sulphate, explosives, coal, steel, bicycle chains, plywood, furniture, cement, fibre board, sugar, oil, breweries and others.

A form of cartel arrangement in the various industries covering prices, production, export markets, etc., will be one method used to prevent serious economic upset.

Problems of Productivity

A further batch of problems partly arise out of national characteristics. The Hollander generally works harder than the Belgian. Hence, in agriculture particularly, the Belgian farmer is alarmed about the competition of Holland's farmer. Increasing the productivity of the Belgian industrial worker is another problem. Difficult though these may be, these determined and eager Benelux proponents are fully prepared to see what they can do to achieve equalization on this front too.

Meanwhile, to allay the immense fears of the Belgian farmer, Holland has agreed not to sell agricultural products in Belgium below the going Belgian price.

These are just some of the problems which the Benelux scheme must face. There are many others. Belgian coal interests worry about the very modern, lower cost Dutch coal industry. The port of Antwerp worries about the position under Benelux of its ancient rival Rotterdam which stands at the mouth of the water gateway to Europe.

So the achievement of full Benelux is an enormous task. It involves changes of a most drastic kind. It involves a very considerable degree of government direction of business.

Will it lead to political union? On that point everyone gives an emphatic NO—not for the present, in any case. What may happen 50 or 100 years hence, these people are wise enough not to forecast.

What About Other Unions?

The Benelux example is instructive for other countries talking about or planning customs union. For inevitably all must face the same radical changes, the same kinds of problems.

France and Italy have a customs union committee at work. A customs union between Denmark, Norway, Sweden and Iceland to be called DA-NO-SVE is being prepared. Greece and Turkey are at the talk stage.

Under the Pact of Brussels, "The Five" (the Benelux countries, France and Great Britain), are planning customs union. "The Sixteen" nations group also has a study group at work on customs union.

Benelux enthusiasts point out that if wide customs union for western Europe is ever to be achieved, the only practical way of reaching agreement in any reasonable time is to negotiate between groups of countries already linked in customs unions. Trying to do it between a large group of individual countries would, they say, take years and years of the most complicated negotiation.

But the Benelux customs union is blessed with a long background which is something some of the other projected unions do not have.

Attempts at economic union of Holland and Belgium go back about 100 years. Time and again since there have been petitions and conferences about it.

A major effort for economic union in 1907 was blocked by Germany which feared the customs union would favor France.

Progress was made in 1921. That year Belgium and Luxembourg abolished customs duties between them and erected a common tariff barrier against the world.

Depression Helps Move

Economic troubles of the 30's brought the next step. In the Oslo convention of 1930, Holland, Belgium, Luxembourg and the three Scandinavian countries (Norway, Sweden, Denmark) agreed not to raise import duties without previous consultation with all members of the group.

In 1932, the three Benelux countries went a step farther by binding themselves for five years not to increase import tariffs.

But it was the recent war and its effects which made Benelux possible. War smashed the economies of both countries. A major reconstruction job had to be undertaken.
the Benelux people to accept it.
Common suffering conditioned
Now the Belgians were willing to forgive Dutch neutrality in the previous war. Significantly, the monarchs of both countries eagerly fomented good relations between the two countries.

The first step to the achievement of Benelux was prepared by the government in exile. It was a monetary agreement fixing the rate of exchange between them. Finally, the beginning of this year, the common tariff against the world, and no tariffs between the Benelux countries put this most significant experiment into motion.

WILLIAM C. STANNARD

has been appointed vice-president and general manager of the Snap Co., Montreal; and director of merchandising for the Conant Paint Co.

Lake Shippers See Good Year; Wheat in Doubt

MONTREAL (Staff) — Lake shippers are looking forward to a busy season, The Financial Post is informed.

With the exception of wheat, tonnage of most cargoes carried, is expected to equal or surpass 1947's. In addition, ship owners will get the benefit of the 21% increase in freight rates on package freight.

It is also announced that rates on bulk freight have been upped 15% this year. This latter increase, it is stated, will just cover the increase in operating costs.

Many ship owners say they are looking forward to a year of peaceful labor relations. More than one owner has voiced satisfaction in his dealings with the Sullivan-led Canadian Lake Seamen's Union. They admit Sullivan is a "tough bargainer" but have confidence in the union to uphold its end of the contract. Freedom from any major strikes last year was reflected in an improved profit.

Steamship men say there is very little wheat carryover to be brought down from the Lakehead, and, until the new crop comes in, no estimates can be made of the tonnage of this commodity which will be offered.

Iron ore cargoes are likely to be heavier this year. Last year, more than two million tons gross were handled by lake ships. Coal shipments are also expected to be somewhat heavier this year, (barring a strike in the United States soft coal mines). It is estimated that between 15 million and 18 million tons of coal were brought in by water last year.

While some observers state that restrictions on U. S. import may reduce the volume of package freight to some extent, the increase of 21% in package freight rates granted by the Board of Transport Commissioners, may offset this.

Shawinigan Net Profit is Higher

MONTREAL (STAFF)—Net profit of Shawinigan Water & Power Co. was $1,132,806 for first 1948 quarter, compared with a net profit of $900,446 in the same 1947 quarter. After deductions for preferred dividends, earnings per share on the common amounted to 42 cents (41 cents in 1947). Gross revenue showed a substantial increase at $6.5 millions ($5.9 millions in 1947).

General operating maintenance expenses were $159,597 higher and the amount paid for power purchased was $99,333 greater than a year ago. Fixed charges, including exchange, amounted to $701,420 and provision for depreciation was increased from $787,500 to $812,500. Income and profits taxes rose from $509,811 in the first quarter of 1947, to $592,458.

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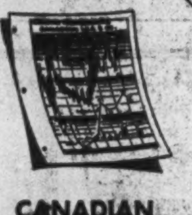

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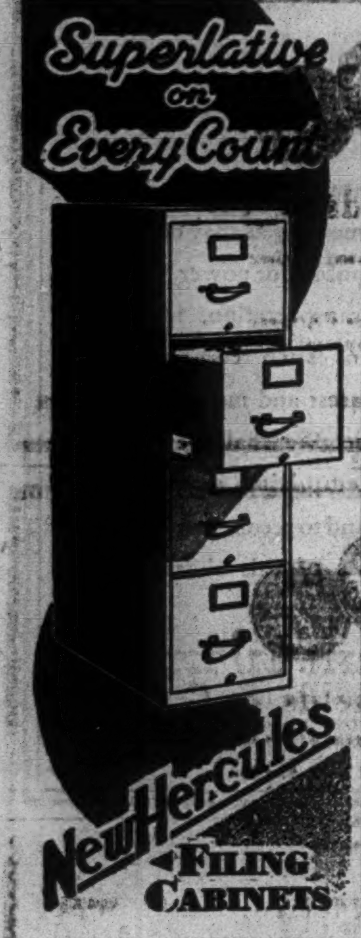

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LABOR ROUNDUP

Would You Deal With a Red Union? Here's What Can Happen if You Refuse

Seldom, if ever, in the history of labor relations in Canada, had a more critical indictment been handed down as the finding last week of a two-man Industrial Disputes Inquiry Commission into some of the trouble in the Great Lakes shipping dispute.

"By their action and inaction," accused the report, "the companies (Sarnia Steamships and Colonial Steamships) have broken the admirable, long-established and beneficial practice by which Canadian employees and employers sit down together round a table in an attempt to settle their differences."

The Commissioners: Lawyers Leonard W. Brockington of Montreal and J. D. McNish of Toronto. Both had also been members of a Conciliation Board which had unsuccessfully tried to iron out difficulties with the Canadian Seamen's Union.

Conciliation failed because "the Board's invitation to the employers received neither the courtesy of an acknowledgement nor the co-operation of an attendance." Later in their report, the Commissioners state the companies also declined to attend a Commission meeting.

"Such conduct," they found, "is an open breach of their agreement . . . of the provisions of PC. 1003 and of their undertaking with the Government in 1947 . . . (these) are a serious threat to the recognized practice of labor conciliation and are moreover, the worst possible threat any employer could use in a dispute with the legally constituted bargaining representatives of his employees."

Few union men had any quarrel with such forthright opinion. But a good many were wondering why the commissioners weren't equally as forthright in dealing with Capt. Scott Misener's stated reason for refusing to have anything to do with the CSU; that it is Communist controlled.

Nowhere in the report is the word Communist mentioned. The closest they come to it are two references to the "alleged political opinions" of some CSU officials, as being the reason behind the companies' objection to dealing with the union.

The Communist press ate the report up — at least that part which branded the companies' action "defiance of the existing law." The Reds pulled out all the stops. But they had scarcely a word to say, and then never critical, about the lawlessness and violence which raged up and down the Great Lakes last week as CSU pickets tried to halt vessels manned by Pat Sullivan's rival Canadian Lake Seamen's Union.

There was not a word of criticism of the [illegible] act of a gang of seamen who boarded the freighter Glenelg as she was passing through the Welland Canal last Thursday; of how they brushed aside two RCMP guards, clambered aboard, beat up the crew and left the vessel a shambles.

About half the raiding party (34, most of them 'teen agers) were trapped when a quick-witted lock master let the water out of the lock, lowering the vessel to the bottom. All were charged with trespassing although the company wanted them charged with piracy and intent to murder.

This week four others were being sought on charges of conspiracy and besetting. One was Mike Jackson, CSU Great Lakes Director. At midweek relative calm hung over the lakes but the storm signals were still out.

• • •

Railwaymen Awarded 7c: Wanted 35c

This week by far the most potentially serious labor-management problem in Canada moved a big step toward a climax: two Boards of Conciliation recommended wage increases of 7c an hour for some 140,000 railway workers who want 35c.

Frank Hall, chairman of the union negotiating committee, had a statement ready in jig time: "The railways got their 21% increase in freight rates but we did not get more than 5%." He was sure the workers would peremptorily reject the recommendation and feared a "knockdown, drag-out battle would be needed to get the 35c."

What Hall didn't mention was that the 21% freight increase was the first the railways had got since the war. On the other hand, it was the third or fourth for the employees.

According to a union official, the average monthly increase in wages since the war (not counting this week's) has been $53. With this week's 7c, this would be an increase of something like 35% since 1939.

The Boards also reported settlement of the touchy issue of payment for 12 statutory holidays; recommended against the union shop and the check-off and payment for time off due to illness.

• • •

Three Strikes And You're Out

His appeal against deportation lost, American Union Chief Reid Robinson was in custody this week in Toronto's Don jail pending outcome of habeas corpus proceedings.

Robinson, Eastern vice-president of the CIO Mine, Mill & Smelter Union, was still loudly protesting his innocence despite the fact that he had been judged a Communist by an Immigration Board and that his appeal, heard personally by the Minister in Charge of Immigration, had been turned down.

But immigration trouble is nothing new to Robinson. This was the third time he had been ordered deported from Canada. This time, however, conditions were not quite the same. This was the first time the Government had invoked a special section of the Immigration Act dealing with people who advocate overthrow of the Government. At the same time there was evidence that the United States had just about perfected its machinery to keep Canadian Reds out. Besides supplying border crossing points with lists of Communists, the U. S. authorities let it be known that no union officials would be allowed in without a visa or clearance from a U. S. Consul.

Non-Reds will have no difficulty after establishing their status. Their clearance will assure them of admission to the U. S. but anyone who shows up at the border without such a clearance will be automatically turned back, The Post is informed.

Last week, these tightened regulations caught up with a second CIO Auto Workers' official in Windsor, Ont.: Frank Harris, chairman of the local's education committee. The first: Roy England, the Ford local's leftist president. In England's case, he was barred because of "lack of adequate proof of his admissibility."

• • •

Strike Costs Going Down

The 1948 strike toll continues to show marked improvement over last year. At the end of March there had been 35 strikes, involving 15,693 workers with a time loss of 333,533 man-working days.

Comparative figures a year ago: 40 strikes, 33,754 workers; 605,298 days lost.

During March there were 14 strikes (21 a year ago), involving 3,725 workers (17,170) and a time loss of 56,808 days (378,580).

Four strikes were responsible for 90% of the time lost: hosiery factory workers at Drummondville, Que.; coal miners in Alberta and B.C.; ships' officers and seamen at Halifax and Vancouver and metal factory workers at Dundas, Ont.

• • •

Would The Reds Understand This?

The union democracy the Communists preach but don't practice, demand for themselves but deny to others, came to their rescue in Windsor last week. The membership of the huge Ford local of the CIO Auto Workers (10,000 members) had voted to set aside the recent election of officers which saw most of the pro-Communist office-holders re-elected. The membership charged and offered evidence that there had been irregularities (The Financial Post, April 17) and voted to hold a new election.

Last week the anti-Reds had their decision reversed by the International Executive Board, which is just as anxious to get rid of the leftwingers as the rank-and-file Ford unionists.

Had the Board wanted to place the battle with the Reds above everything else, the verdict could have been the other way; there were election irregularities, the Board found.

Technically this would have been enough to set the election aside and give the anti-Reds a second chance to beat the leftwingers. With a crooked election as ammunition, they might have made it the second time as the leftwingers had just squeaked in.

But the Board ruled that the irregularities were not enough to have affected the result of the election. The local was ordered to install Leftwinger Roy England as president for another year.

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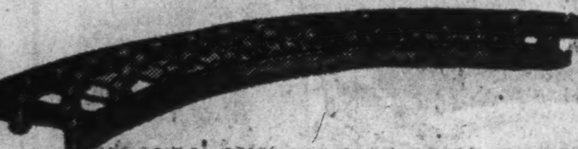

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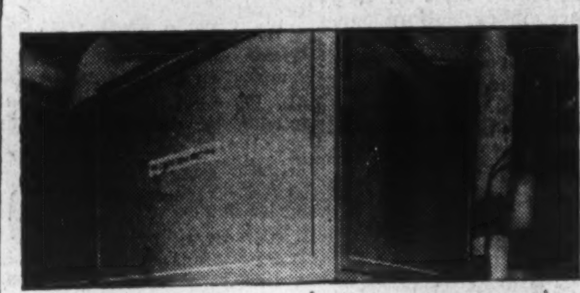

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- **SALES**—Increased 19% over 1946. Of this increase about one-third resulted from higher selling prices and the balance from greater volume of business.
- **SELLING PRICES**—In 1947 average selling prices of C-I-L manufactured products advanced 7% as against an increase of 19% in Canadian general wholesale prices. Corresponding increases since 1939 were 11% and 71% respectively.
- **PROFITS**—Net income was 15% higher than in 1946. The increase resulted largely from non-recurring investment income.
- **COMMON SHARE EARNINGS**—Increased to 98 cents a share as compared with 84 cents a share in 1946.
- **DIVIDENDS**—Payment of 75 cents a share on the common stock was 5 cents higher than in 1946. Regular dividends were paid on the preferred stock.
- **NEW PRODUCTION FACILITIES**—Expenditures totalled $5,400,000 in 1947. Unexpended balances against projects authorized amounted to $4,000,000.

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The Provincial Roundup

Prince Edward Is.

New Cabinet Minister: Cabinet reorganization advanced a step farther this week, with entry of Harry H. Cox into the Jones administration, as minister without portfolio. Member of the legislature for 2nd Kings since 1927, Cox is a prominent merchant and lobster packer of Morell, and government representative of the Atlantic Fisheries Commission; was also minister without portfolio for a short time in the Cabinet of Premier Thane Campbell. It was now hinted he might be in line for the post of Provincial Secretary and Treasurer, administered temporarily by Premier Jones since the resignation of Hon. W. M. Hughes (The Financial Post, March 20).

Ask Lobster Grading: With the lobster season opening this week end (May 1) Island fish canners were still looking to Ottawa for regulations to provide for compulsory grading on the spot. At present, samples of canned fish must be sent to Halifax for grading before they can be packed and sold; and complaints were heard that the delay often prevents local canners from sharing in a good market price. Current demand in Boston and other U.S. centres was reported unusually strong.

• • •

Nova Scotia

Seven New Seats: The legislature prorogued at the week end, after passing a redistribution bill creating seven new seats (37 in place of the present 30), and a measure for beer and wine sales on a local option basis. Despite protests from urban areas (The Financial Post, April 24), the extra seats went to predominantly rural counties—Hants, Kings, Digby, Yarmouth, Cumberland, Pictou and Inverness. A measure for compulsory motor car insurance was shelved until next year, for further study.

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New Brunswick

Conserve Timber: Plans to conserve provincial forestry resources and to develop new industry, were outlined to the Legislature by Lands Minister R. J. Gill: "We intend to study timber disposal policies, and refuse to sell, renew or transfer timber licenses, until operating conditions have been defined and set out in an agreement to provide flexibility, contingent upon scientific and other discoveries in the future use of wood." The province last year collected $2.2 millions from Crown Lands, and spent 65% of that sum on management and protection.

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Quebec

"No Oxygen Tent": Premier Maurice Duplessis staged a surprise in reverse last week, by not announcing a provincial election. He predicted grimly that the vote "will come too soon for our opponents"; but guaranteed that it will not be held during May "because that is moving month, and we are not moving." Standing firm for provincial rights, Duplesis insisted that these "are not for sale for $65 millions (the amount of subsidies offered by the Federal Government) . . . Quebec's horizons are too vast for us to content ourselves with a Federal oxygen tent." Earlier expectations had been that Duplessis would announce a June election date; many observers still predicted the vote would come in that month.

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Ontario

Turf Needs Aid: Ontario, like British Columbia, faced a turf crisis. If racing is to continue here this year, the province must give some aid to breeders, owners and track operators, Provincial Treasurer Leslie Frost insisted. If it did not continue, Ontario-bred horses "must of necessity be sold, and will obviously go to the United States"; with the result that it would take years to revive the horse-breeding industry. As temporary relief, the Government planned a rebate to the tracks of part of the present 10% tax on pari-mutuel wagers.

Three in By-election: Ontario county faces a busy voting week in early June. Provincial elections were scheduled for June 7; and the following day, a Federal by-election would choose a successor to the late W. E. N. Sinclair, onetime (1923-1930) provincial Liberal leader. Already in the field for the Dominion seat were Mayor Frank N. McCallum of Oshawa (brother of Toronto's Mayor H. E. McCallum), Progressive Conservative; Lyman A. Gifford, former county warden, Liberal; and Arthur Williams (MPP, 1943-1945), CCF.

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Manitoba

Can't Tax CPR Yet: A Speaker's ruling that an issue before the courts is not debatable in the Legislature, dashed Winnipeg's hopes of taxing, this year at least, CPR property in the city. A bill to abolish the tax exemption granted to the railway in 1881 was ruled out of order, after the CPR had applied to the courts for an injunction (The Financial Post, April 24). Meanwhile, Canadian National Railways had agreed to pay the city $310,000 in lieu of 1948 taxes, with prospects for a longer-term agreement to follow.

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Saskatchewan

More Government Jobs: Provincial government payrolls increased by 570 persons last year, from 5,888 to 6,458. Permanent employees increased by 701 to 4,386; temporary workers (subdivided into temporary 213, probationary 1,707 and provisional, 152) showed a slight falling off. The Telephone Department employed the largest number—1,162, against 1,072 in 1946. Power commission was next with 453 (219); Liquor Board 340 (359).

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Alberta

Edmonton to Borrow: For the sixth consecutive year, Edmonton pegged its tax rate at 49.5 mills, to meet a $13,904,456 budget. This year, however, with wartime surpluses depleted, the city would have to abandon its pay-as-you-go policy, and borrow some $1.7 millions toward projected capital expenditures of $4,547,429. The city's financing record since 1943, would facilitate this borrowing, City Council was told.

T. E. V. FINK

general manager of Canadian Office & School Furniture Ltd., Preston, has been elected chairman of the Furniture Manufacturers Association.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

BROULAN PORCUPINE GOLD MINES realized an operating profit of $69,236 before charges for depreciation and outside exploration in 1947 while an additional $13,350 was received from Bonetal Gold Mines as allowance for depreciation on use of mill.

A decline in working capital to $286,594 from $464,948 the previous year reflects a $245,185 increase in investment and advances to associated companies, a $6,953 increase in deferred charges and $6,424 of outside exploration written off.

Reserves were tentatively estimated at 90,000 tons of 0.18 oz. grade at Dec. 31, 1947. Plans call for continued treatment of Bonetal and Porcupine Reef ore in the Broulan mill. Ore from the Hugh Pam property will also be treated if Broulan-financed work on this property demonstrates ore.

Investments of $602,851 at Dec. 31, 1947, had a market value of $886,235 and included 839,537 shares of Bonetal, 1,098,000 shares of Porcupine Reef, 35,000 shares of Pamour Porcupine, 25,000 shares of Hugh-Pam and 97,500 shares of Isle of Pine Mines.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Bullion recov.	$512,353	$578,552
Less: Oper. exps.	445,659	438,279
Operating profit	66,694	140,273
Add: Int. rec.	2,542	11,660
Total net earnings	69,236	151,933
Less: Deprec.	32,670	87,827
Def. devel. w/o	......	40,614
Outside expl. w/o	6,424	24,084
Net profit & surp.	30,142	*592
*Loss or deficit.		
Earned per Share	$0.011	d$0.0002
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & bullion	$123,872	$259,665
Govt. bonds	75,000	75,000
Accts. rec.	34,348	66,694
Mat. & supplies	115,871	134,201
Total curr. assets	349,091	535,560
Prep. & def. chgs.	24,101	17,143
Invests. & adv.	706,814	461,629
Hydro deposit	7,462	7,395
Claims & props.	114,459	114,459
Other claims	57,681	58,481
Plant & equip.†	15,330	57,718
Cap. stk. disct.	2,102,550	2,102,550
Total assets	3,377,488	3,354,940
Total curr. liab.	62,497	70,612
Capital stock	2,694,005	2,694,005
Surplus	620,986	590,323
†After depr. of	637,236	591,216
Working capital	286,594	464,948

OPERATING STATISTICS

	1947	1946
Tons milled	83,639	75,791
Average recov.	$6.13	$7.63
Ore reserves, tons	†90,000	190,000
Grade ($35 gold)	$6.30	$6.30
†Tentative estimate.		

SISCOE GOLD MINES—An increase of 340% in net profit for the year ended Dec. 31, 1947, is revealed in the company's annual report. Profit totalled $134,509, against $30,580 the previous year. President J. B. Lynch states that this improvement is due to the working of extensions to some of the former high-grade lenses in "K" zone. It is questionable whether similar results may be looked for in the present year, it is stated.

President Lynch reported favorable progress at the Miller Lake-O'Brien property, owned by Siscoe Metals, a wholly owned subsidiary. Advances of $237,000 were made during the year and an additional expenditure of $14,500 was covered by the sale of cobbed high-grade silver ore. Work at the property, which adjoins property owned by Castle-Trethewey Mines, included sinking of a 325-ft. interior shaft to permit exploration of "D" zone. This work is well under way, it is stated.

Tests indicated an eventual tailings profit of $300,000 at the present price of approximately 75 cents per ounce for silver metal, the report states. Plans call for initial addition of ore feed from underground to the mill about midyear.

The report indicates that an important part of the year's operations was that undertaken by Suzorite Co., a subsidiary at Shawinigan Falls. Serious production problems were successfully ironed out, the report states; a high-quality ground mica product is now being produced and regular shipments are being made. President Lynch tells The Financial Post that the high U. S. tariff on mica is still a serious impediment to the sale of this product in United States.

The company states that large reserves of ore are in sight and prospects for development of a profitable operation were considerably improved at year end. Advances of $103,456 were made to Suzorite Co.

Expenditures of $35,000 were made on 16 outside properties; 11 properties were under option with all but one being carried over from 1946. Three options were allowed to lapse.

Operating profit at the mine amounted to $234,567, and additional income of $41,421 was derived from interest and dividends during the year. Provision for profits taxes amounted to $44,818. Working capital stood at $1,054,877 at the year end ($1,247,731 in 1946).

WESTERN SAVINGS & LOAN ASSOCIATION
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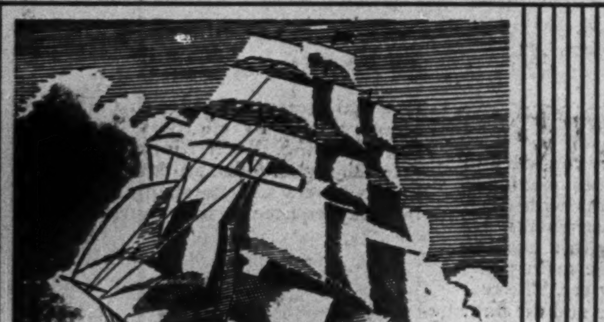

Trade Winds . . . .

FROM 1828 to 1948 is a long span. Since those early days when Trade Winds carried the stout sailing ships to all parts of the world in search of goods and raw materials, the firm of Knowles & Foster, Merchant Exporters and Importers, has formed a valuable link between manufacturer and consumer.

With our own Houses in Brazil and Agents of long standing and integrity in other parts of the world, we can relieve you, the Canadian manufacturer, of all the worries of exchange controls, currency restrictions and import and export regulations inherent to the export trade. The experience gained during 120 years of business life is freely at your disposal.

Of particular importance is the method by which we transact business. We pay for your goods in Canadian dollars.

May we help you to expand your export market?

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417 St. Peter Street
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GAGE SECURITY GUMMED ENVELOPES

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THE FIRST STEP IN FORWARDING
An experienced organization devoted entirely to overseas shipping.
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TORONTO MONTREAL WINNIPEG VANCOUVER VICTORIA
NEW YORK LONDON, ENG.

CANADIAN DAILY NEWSPAPER
Ad RATES
LOWEST in the World
and 1/3 Lower than
Global Average

Advertising rates for Canadian daily newspapers are one-third lower than the global average according to a recent survey of 78 countries completed by the British Export Trade Advertising Corporation Limited, London, who are interested in rates in all parts of the world.

In any normal comparison of actual cost of space obtained, the Canadian daily newspapers have the lowest advertising rate in the world. Even on the basis of fluctuating rates of exchange (in which there is a discount at present on the pound sterling of approximately 20 per cent in relation to the Canadian dollar, and a premium on the pound sterling of about 20 per cent in relation to the Australian pound), the Canadian newspaper advertising rate is second only to the Australian daily newspaper advertising rate—which condition reverses itself with the re-establishment of parity of currency.

The advertising rates of daily newspapers, weekly newspapers and magazines in these countries were translated into pounds sterling at the official rate of exchange, and the tabulations were based on rates per single column inch application to a contract of 251 inches or 26 insertions.

The comparative cost, expressed as a percentage of United Kingdom costs was as follows for daily newspapers:

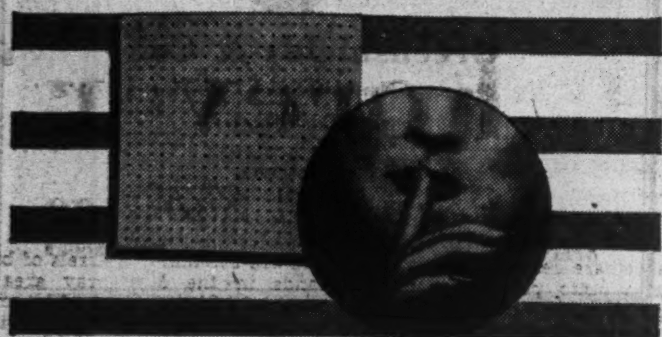
British Empire.......... 105
Europe.......... 195
Latin America.......... 90
Middle East.......... 410
Far East.......... 646
Average Overseas.......... 158
United Kingdom.......... 100
Global Average.......... 137
CANADA.......... 86

It is of interest that the British Export Trade Advertising Corporation found daily newspaper advertising also to be the cheapest form of press advertising in Canada. The survey shows the average cost per 1,000 circulation, expressed in pence per single column inch. The rate for daily newspapers in Canada was 1.530 pence, weekly magazines 7.538 pence, and monthly magazines 7.876 pence . . . five times the cost of using daily newspaper advertising.

Canadian DAILY NEWSPAPERS Association
I. H. MACDONALD, General Manager
c/o Globe and Mail Building
TORONTO, CANADA

"DAILY NEWSPAPERS REACH EVERYONE"

Your MOTHER'S DAY Gift . . .
IVEY'S ROLL-PAKT Roses
FRESH AS the sunrise . . . and kept that way by Ivey's exclusive method of Roll-Paking. On Mother's Day . . . on any occasion . . . give Ivey's Roll-Pakt Roses . . . Canada's freshest, fairest floral tribute.
THOMAS A. IVEY & SONS LTD, PORT DOVER, ONTARIO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You Can't Buy FINER SHOES

Dack's Still Lead in Value
TODAY, the high quality standards of Dack Shoes are just as rigidly maintained as they have been for more than a hundred years.
Dack Shoes are still unexcelled for solid comfort—fine styling—and exceptionally long wear.
And, despite much higher costs of fine leathers, Dack Shoes today offer greater value than ever before.
Dack's SHOES FOR MEN
DS-58
SHOPS OR AGENCIES IN PRINCIPAL CITIES

WHAT'S NEW IN BUSINESS

Manufacturers of products that are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field.

Prevents Fading

Age-old headache of storekeepers, fading of goods while in window on display, will be relieved by discovery of colorless plastic material which does not transmit ultraviolet rays of sun. Manufacturers, who have named product "Infra-Chem," say it is transparent as Cellophane and therefore detracts nothing from eye appeal and color values of merchandise, where natural color is selling factor. Secret of material is impregnation of clear plastic with invisible chemical.

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Gum Remover

Manufacturers of liquid compound say their product will remove all kinds of resinous gum, particularly chewing gum, from any surface, even finest of fabrics. Another liquid has been developed by the same firm for painless removal of adhesive tape.

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Plated Magnesium

Electroplating may now be applied to magnesium by method announced by Dow Chemical Co. of Midland, Michigan; and company spokesmen say door has been opened to vastly wider use of the metal. New process permits adherent thin film of zinc to be deposited on magnesium, thereby allowing durable finish to be applied to products, especially where decorative qualities are important. Such applications include automotive and building hardware, portable tools, sporting equipment and optical and printing fields. Excellent adhesion, wear and resistance to accelerated corrosion tests have been obtained with plated magnesium, which has been hammered or severely rubbed without lifting deposit, and finish has withstood heat, humidity and salt spray tests satisfactorily.

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Small Boat Anchor

Lightweight anchor for boats up to 16 ft. long, weighs less than three lb. Special design, however, gives it holding power of 25 lb. anchor, makers state.

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Window Cleaning Tool

No pails or rags are now needed when washing windows, say maker of new lightweight tool of Tenite plastic. Device consists of hollow handle which, when filled, feeds water through tiny holes into felt blade. Rubbing moist blade over glass loosens grime for easy removal with squeegee. Washer operates at any angle, and is specially useful for cleaning upper panes or outside of windows.

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Dry Cleaner Disinfects

British manufacturer is introducing, through U. S. subsidiary, electric home unit which removes surface dust and dirt and acts as germicidal, insecticidal, deodorizing and dry shampooing system for household furniture and fabrics. Plug-in unit is supplied along with new type germ and insect-killing liquids and special shampooing product, which is produced in "foam" form at press of button, removing dirt and grease from upholstery, rugs, etc.; contains quick-drying solvent so that article cleaned is ready for use again in matter of minutes. Deodorizing is accomplished automatically, along with germicidal action, so that cooking, heating and other odors are neutralized and indoor air made fresher and more germ free.

• • •

Coffee Dispenser

New counter coffee dispenser is half size of conventional counter urns, but gives out four times as much coffee. Occupying only 1½ sq. ft. of counter space, dispenser features push-button control and will according to makers, dispense 400 cups of hot coffee without refill. Independent, electronically operated valves for frozen liquid coffee concentrate and boiling water, have been built in, and no stirring is required.

• • •

Package Sealing

New automatic measuring dispenser for pressure-sensitive tape, designed for retail store use, accurately measures two-in. tape strip of Cellophane, acetate, plastic or light paper in widths up to one in. without snarling or mis-sticking of tape, makers say. Operation is rapid, and requires no special skill or training. Lever feeds measured tape, which is held flat against prongs of feed reel until required. Cut off is manual and machine is one-hand operated, leaving other hand free to hold package.

• • •

Solders Stainless Steel

Solid acid flux will solder stainless steel, nickel and monel. Though only half as corrosive as zinc chloride, new acid core product is effective with all metals except aluminum and magnesium, manufacturers state.

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Light-up Tally Board

Tallyboard for use of checkers and dispatchers who have to operate in poor light in truck docks, terminals, ship holds and warehouses will welcome appearance of tally board with switchbutton-operated, built-in light. Powered by three standard flashlight cells, light is directed on to documents, giving the advantage, makers say, of ease of operation, elimination of danger caused by use of matches, and relief from eyestrain.

• • •

Normal Light Television

Television set which gives picture on 3 x 4 ft. screen under ordinary lighting conditions uses special metal screen developed by makers, who are working on another remote screen which will give pictures up to 12 x 16 ft. under controlled lighting conditions. Small screen is placed approximately 12 ft. from company's set and hung about six ft. from floor. House lights need not be turned down when set is in use and this, manufacturers say, makes it ideal for clubs, group meetings, schools, institutions and other places where theatre-controlled lighting is not available.

• • •

Paper Cups

Latest type paper cups, produced at high speed on machines designed in United States but developed and perfected in Canada, will hold hot liquids without affecting their flavor, makers state. Cups feature single wrap, with minimum of adhesive.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

GREAT LAKES POWER CO. 1947 net profit was up 33%. Operating revenues amounted to $1,592,071 compared with $1,303,366. Sales of electricity totalled 404,278,782 kw.h. compared with 365,502,411 kw.h. in 1946.

During early part of 1947 the company completed a 26-mile line extension with necessary substation additions and power line changes required to serve Renable Gold Mines. Approximately 27 miles of new rural distribution lines were put into service during the year. Additional transformers were installed in the Desbarats distribution substation. Approximately one half mile of the Algoma Central and Hudson Bay Railway Co.'s tracks were raised about two and one-half feet. Preliminary work was done in connection with the raising of the height of the dam at the company's Montreal River Upper Falls plant scheduled to be completed in 1948. This will assure sufficient water supply to operate this plant and the Montreal River Lower Falls plant at a much higher rate the year round, it is stated. Also, the improvement will add about 2,000 hp capacity to the Upper Falls plant.

The company sold its stock in The International Transit Co., a wholly owned subsidiary, to the Middle West Utilities Co. of Canada and no dividends were received in 1947 from this operation prior to sale.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$1,180,908	$960,260
Less: Deprec.	256,722	251,745
Bond int.	275,817	263,820
Gen. int.	1,429	158
Amort. bond disc.	19,052	16,794
Income taxes	277,172	164,121
Misc. deduct.	1,316	847
Net profit	349,400	262,775
Less: Pref. divds.	54,675	52,500
Com. divds.	750,000	550,000
Deficit for year	455,275	339,725
Times Bd. Int. Earn.*	3.35	2.69

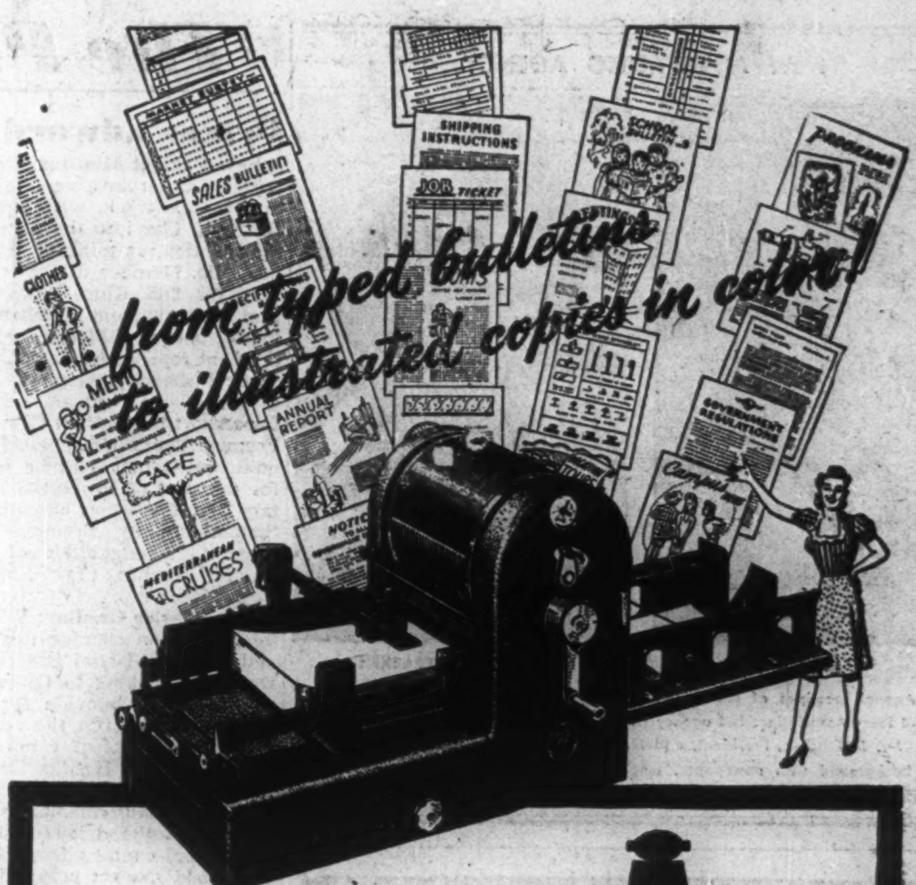
*After deprec. and before general int.

Earnings per Share and Dividend Record:		
Preferred	†	$35.04
Paid	$7.29	7.00
Common	9.82	7.01
Paid	25.00	18.33½

†Redeemed Jan. 15, 1948.

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$1,002,016	$340,447
Accts. rec., etc.	183,419	155,512
Inventories	39,138	27,177
Total curr. assets	1,224,573	523,136
Misc. assets	445,448	285,193
Fixed assets	13,846,442	13,699,927
Total assets	15,516,463	14,508,256
Accts. & tax. pay.	177,455	117,620
Other curr. liab.	926,235	101,205
Total curr. liab.	1,103,690	218,825
Funded debt	7,000,000	5,827,500
Deprec. res.	4,297,270	4,051,738
Other liabs.	119,429	21,344
Capital stock	2,050,000	2,800,000
Surplus▲	946,074	1,588,849
▲Incl. ref. EPT	1,019	1,019
Working capital	120,883	304,311



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First Showing of the All-New 1949 MERCURY
Mercury moves up into an entirely new class! It's a bigger, heavier, more powerful, more beautifully appointed car. In appearance, in riding luxury, in engineering and in performance it has new distinction, new advancements everywhere you look.

All-New Long, Low Lines
At first glance this all-new 1949 Mercury reminds you of those low, rocketing racers which streaked across the salt beds of Utah. It's a big car—and exceptionally broad. And it's really low—only 5 feet 3 inches from road to roof line. In its sweeping harmony of curves there's the very spirit of dynamic motion. Yes, this great new Mercury moves like a whisper with its new, powerful, 110 horsepower V-type, 8-cylinder engine.

All-New Interior Luxury
Inside the all-new Mercury you will find that every detail combines maximum convenience and usefulness with clean modern design. The instruments are grouped for easy reading in a housing which is set out from the main panel directly in front of the driver. The rear seat is a full five feet wide and the floor is lowered to give plenty of headroom. From the broad, deep windshield to the big new rear window you get a wide-open view in all directions. Interior lights come on when any door is opened. The car is ventilated with clean fresh air supplied under slight pressure to prevent closed-car drowsiness and to defog windows. When a Mercury heater is installed the system provides fresh, warm air.

All-New Lullaby Ride
There's a new "Lullaby Ride" in the all-new Mercury which is the result of many features, all developed in perfect balance. The passengers are cradled in the "comfort zone" well forward of the rear wheels. Independent front wheel suspension with coil springs; long, longitudinal rear springs; soft-acting telescopic shock absorbers and the new low-pressure tires all combine to give a new high in riding comfort. The new low centre of gravity and ride stabilizer take the "lean" out of road curves.

All-New Ease of Control
It's a real pleasure to drive this all-new Mercury with its effortless "straight-line" steering. Road shock does not reach the wheel. The all-new hydraulic brakes have a self-energizing action so that they require very little foot pressure.

So that's the story—or rather just part of the story—of the all-new 1949 Mercury now ready for your inspection at Mercury and Lincoln dealers. There are many more advancements—too many to mention them all. But when you see it you'll know why thousands soon will be saying "It's Mercury for me!"
MERCURY AND LINCOLN DIVISION
FORD MOTOR COMPANY OF CANADA, LIMITED

Fender skirts, chrome wheel trim rings and white sidewall tires optional at extra cost when available
See it at your MERCURY and LINCOLN DEALER'S

The Financial Post

Vol. XLII Publication Office: Toronto, May 1, 1948 No. 18

How Many Immigrants in '48?

40,000 Netherlanders Would Come If They Could

What do the Netherlanders think of Canada? How many want to come here?

What does a Canadian have to do to bring a Netherlands' family out? What does a Netherlands' family have to do to get permission to come?

Here's the whys and wherefores of Canada's immigration deal with the Netherlands, outlined in an on-the-spot report by The Post's editor, Ronald A. McEachern.

Mr. McEachern was the only Canadian, one of three North American journalists, to attend the Netherlands International Trade Fair. Here is another special article on things as he finds them in Europe.

BY RONALD A. McEACHERN

ROTTERDAM—Teunis Plomp spent seven months in hospital after being shot up by the RAF. He's one of the best friends Canada has in Holland.

For 23 years he has been with its operations in the Netherlands. But helping Netherlanders move to Canada—and preparing them for that big decision—he has made his principal, if unofficial mission since the liberation.

How did he get with the CPR? As a young man trained both as a farmer and as a chartered accountant, he decided to come to Canada. The CPR, instead of transporting him, lecided to give him a job.

Why did the RAF shoot him up? Some months before the liberation, the RAF announced by radio that it would shoot at every moving vehicle on Dutch roads. Plomp was helping our cause. He had a job to do, had to have a car to do it, so risked traveling the roads. He saw the road strafer coming, jammed on his brakes and ran for the ditch. But he got four bullets through him and his car was completely wrecked. He still regrets missing the liberation celebrations. He was in hospital.

Canada, in the 1941 census had about 200,000 people of Netherlands origin. Plomp thinks it will be good for Canada and good for Holland if a lot more come.

Emigration today is entirely in government hands. Plomp can do nothing but help it along.

Here are some of the ways he does it:

He gives "preparation" courses to farmers and farmers' wives. Working with the Protestant and Catholic farmer associations, he runs two- and three-day courses, attended by prospective emigrants.

In addition to his special courses, tall, greying Mr. Plomp travels around the country making an average of three speeches a week extolling the virtues—and making plain the realities—of life in Canada. Usually he shows films of Canada (National Film Board). Usually he has some pamphlets to hand out. His country, town and village audiences run from 25 to 300.

Because he didn't have anything entirely suited to his needs, he has written a book in the Netherlands tongue. It is 250 or more pages on the history, social and business life of Canada, well illustrated with pictures and charts. It is called "Canada: een land met grote mogelij kheden" (a land of great possibilities).

There's still more to come about the works of Mr. Plomp. He finds time to edit a monthly magazine called Nederland Canada which, in Netherland and English, informs some 3,000 readers about the Dominion.

Mr. Plomp is just one of the Hollanders I have met, who are putting a great deal of time and energy into fostering chosen relations between our two countries. These people are now banded together in two associations; The Netherlands-Canada Society is cultural. They get together to hear talks about Canada, to see Canadian films and pictures, to hear Canadian music on recordings, to examine a collection of Canadian paintings.

The second group is The Canada Institute, an ingenious and vigorous organization for promotion of trade between the two countries, and especially Netherlands business in Canada.

Little Headway with Russia

Governments have their trade commissioners and their commercial attaches; but the Canada Institute believes businessmen have sources of information, speed and methods of action which can produce worthwhile results. Some months ago, therefore, Mr. J. A. Krygsman set up offices in Montreal to nose out business possibilities in Canada.

The Netherlanders have established quite a few other institutes in other countries. They have one in Moscow, on a trial basis, but they have pretty well decided profitable business can't be done with the Russians. After months of effort, that Institute has been able only to trade some alligators and snakes from a zoo for a couple of brown bears.

Head of the Canada Institute is one who has long been very closely associated with Canadian business. He is B. P. Willebeek le Mair, operator of a big grain business at Rotterdam, adviser to the Netherlands Government on its wheat purchase policy, and an all-round ball of fire.

He is the third generation in the family business to have close links with the Richardson grain enterprises of Canada. Believing in practical business education, his father sent him as a young man to a variety of jobs in Canada for two years, about 1912. Then he saw all of Canada; has been back scores of times since. Working with a spry veteran of the Foreign Service, Dr. J. Stroomberg, and using the swift communications systems of international business, here is a very hard-hitting, alert instrument for the promotion of Netherlands-Canada trade.

Labyrinths of Red Tape

What about emigration to Canada?

Since the start of postwar emigration, Nov. 22, 1946, the score is about 2,000 wives of Canadian soldiers moved. About 400 fiancées have been sent for by Canadian soldiers. That doesn't equal the number of "fiancées" who hoped to go.

About 4,000 agriculturists and their families have made the big decision to sell their stuff, go through the enormous red tape, and go to a very strange land with nothing but their clothes, furniture and $100 per adult in funds. (If they have more, they are required to sign a form that they will never attempt to export their capital from this country).

Another immigrant ship sails for Canada late this month. Currently the fear here is that there will be less than a full shipload aboard her.

Why? Most Canadians want a bigger, richer Canada. Most Canadians would put Netherlanders at or near the top of any priority list of people we want. Everywhere they have gone in Canada they have brought dignity and prosperity to themselves, and worth to their community.

I have discussed this with many people here. Nobody will venture an opinion. All I was able to get from them were the facts about the system. From a bureaucrat's point of view, it is probably excellent. The theory is good. How is the practice?

One high government official told me in enthusiastic words how he hoped that during 1948 at least 40,000 Netherlanders would find scope and a new life in Canada. He pointed out that Holland was seriously overpopulated in its farm community; that emigration was essential; that of all the countries in the world, Canada had top priority on available migrants. Getting a lot of farmers into Canada promptly, is clearly government policy.

Not Over 6,000?

Then I talk to emigration people and they say they're doubtful if the total Netherlands migration to Canada in 1948 will be more than 6,000 persons.

From emigration officials I learned the system. It sounds pretty slow and complicated.

If a farmer here wants to migrate (and thousands are applying to do so) he goes to the local labor exchange. Or he may go to his local farm organization which, united with other farm organizations, has an office at The Hague, "The Foundation for Agricultural Emigration."

At the local office, a long form is filled in, which next goes to central government offices at The Hague. If there is no official objection, the application for migration then goes back to the local labor exchange which sends out an investigator to examine the family. Is it likely to succeed in Canada Is it free of all taint of collaborationism during the occupation?

If the application is still "warm," it then goes to the agricultural attache at the Netherlands Embassy in Ottawa. Thousands of applications are fired at that harassed official. He must then go to work to find a specific spot in Canada for the would-be migrant; some farmer who will take him on as a hired hand at going wages, who will provide housing or room for him and his family, and who assumes at least the moral obligation of continuing the arrangement for at least one year.

The agricultural attache may have some leads, some requests from farmers in Canada. He may have had some success in lining up leads through the churches, particularly the Protestant churches of the Canadian and Netherlands origin. Let us assume he has luck in finding a spot for a family.

Moving in Circles

When he does, the application snail-paces on to the Department of Mines and Resources at Ottawa. After more palaver there, the form goes back to the Netherlands agricultural attache. If everybody is still happy, it goes back to The Hague. Then officialdom takes another look to see if it still likes the idea. Finally the would-be migrant receives an order to present himself at a certain time and date to the Canadian Embassy at The Hague.

There his and his family's health outlook is tackled by a couple of doctors. (Both, I am given to believe, are French Canadians).

They test their customers against the medical prescription of the medical sage in the Department of Mines and Resources, Ottawa. Then comes the visa.

The okayed farmer then has only to sell his farm if he has one, store what capital he has (except $100 per adult), say goodby to his friends. Then he waits on the Netherlands Government which, when a fair batch of migrants are ready, charters a troop carrier ship to transport them.

So far, almost entirely, migration has been farmer. But, at least in theory, some other classes might be eligible, depending entirely on the current mood of the Canadian and Holland Governments.

What are Hollanders told to do when they get to Canada? Let's hear something of the instruction given by Mr. Plomp:

Learn the language as well as possible before you go.

Become a Canadian citizen. You're definitely burning all but your sentimental bridges behind you.

Join a church. About 60% of the Dutch migrants to date are Protestant. If there is no church of their own nearby, they readily find themselves at home, I am told, in United and Presbyterian churches.

Another thing on which Mr. Plomp puts emphasis:

Don't suppose Canada is a bed of roses or the Garden of Eden. Disabusing Netherlanders of the super-tall and super-fancy stories which homesick Canadian troops told them about our country, is found to be an almost universal requirement.

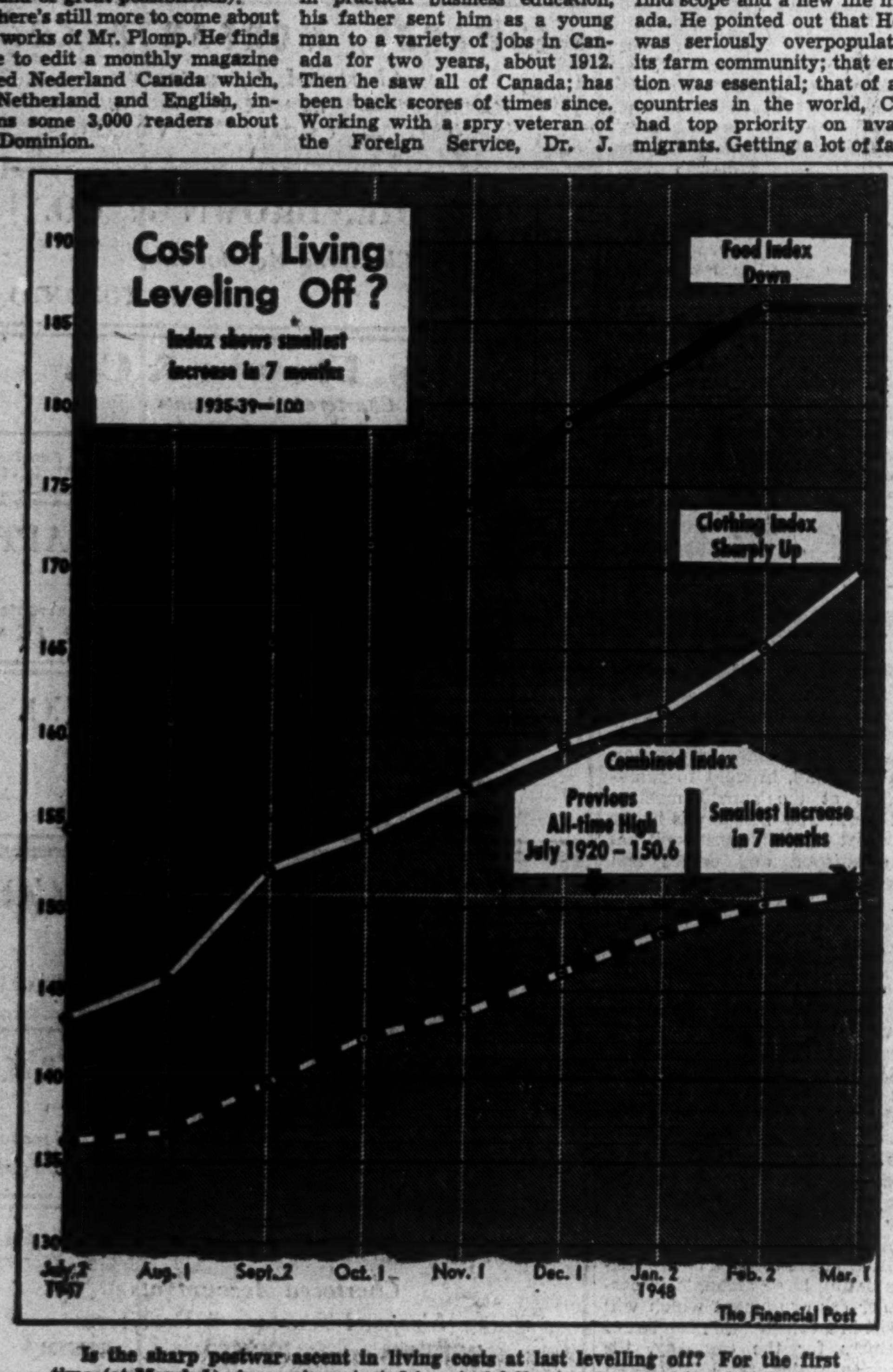
Don't think Canada has no culture, merely because every city in Europe has its grand opera and Canada has little. See why Canadian culture is different.

Don't think Canada has a vile or severe climate.

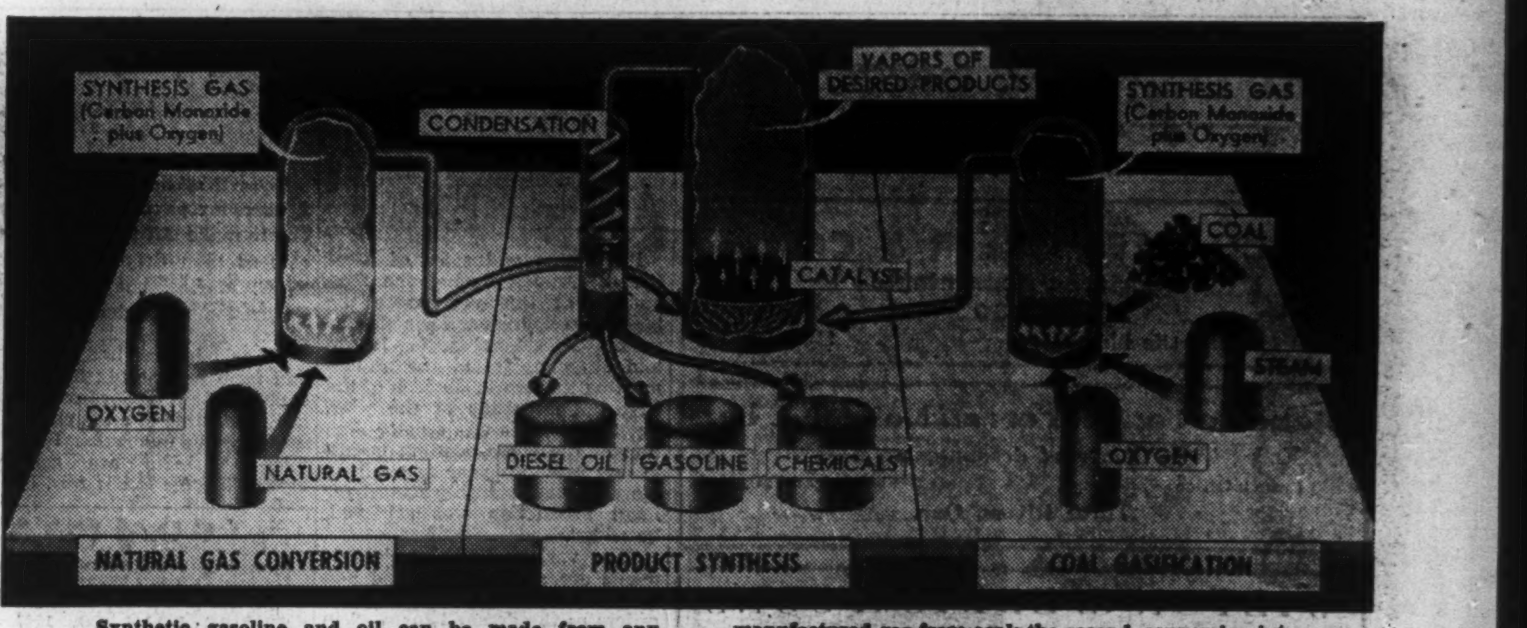
Don't push and elbow around so vigorously on Canadian streetcars as you do at home.

Don't talk out loud during church service. (It's common here.)

To all of which I would add my own postcript: Don't drive a car like a Holland taxi driver. Here the rule is, scare the daylights out of pedestrians and bicyclists. "Making 'em jump" seems to be the local sport. The hackmen of Chicago, Buenos Aires and Paris are, in comparison, models of caution and courtesy.



Is the sharp postwar ascent in living costs at last levelling off? For the first time (at March 1) since prices started to spiral following decontrol last fall the DBS food index (at 185.9) showed a decline (of .2) and the general index, although at an all-time high of 150.8, showed its smallest increase (.7) in seven months. What caused the increase in the general index more than anything else was a sharp rise in the clothing index; from 165.1 at Feb. 2 to 169.9 at March 1. April figures likely will confirm the trend in food and general indices: fractional increases were recorded in fruit and vegetables in March. No increases were recorded in staples. In clothing further increases can be expected for some time yet as a result of continually rising prices at supply sources.



Synthetic gasoline and oil can be made from any material which contains carbon and is combustible. The Fisher-Tropsch process, now being used in the United States consists of two stages: the first is the burning process, in use in every gas works to produce ordinary manufactured gas from coal; the second, conversion into gasoline and other products by treating it with suitable catalysts or reactors. Natural gas is the first raw material to be used in the U. S., although Germany and Britain have been using coal for years.

Gas and Oil Forever?

Can Science and Synthetics Beat Petroleum Shortage?

By W. L. DACK

The grim spectre of gasoline and oil shortages continues to haunt Canadians.

First it was wartime gas rationing. Last winter; fuel oil famine. Now talk (denied officially) of peacetime gas rationing.

The crude oil situation is serious, not only for Canada but the United States and the United Kingdom. War would make it critical. And in any event there is little hope of much reduction in price — doubled in the past year.

Everywhere oil consumption is increasing faster than production. The U. K.'s supply of native oil is almost negligible. The U. S. is running out of domestic oil so fast that known reserves aren't expected to last much longer than 10-15 years.

And Canada, despite the spectacular Leduc development, is almost completely dependent on the U. S. Last year we used 96 million barrels of crude and refined oil. Only 7.7 million barrels came from our own fields. The rest was imported.

What Can Be Done?

Can anything be done to shatter the nightmare of oil starvation. Yes, say the experts; anytime we want to spend the money. Science and research can lay the fearful spectre to rest forever with synthetic fuels made from coal, oil shale, natural gas and other material.

Oil reserves in the U. S. are petering out. But the U. S. alone has enough synthetic gasoline resources to last thousands of years, say the experts.

Canada is equally rich. It has been estimated that there is enough coal in the West to produce 300,000 barrels of gasoline a day for 350 years.

What's holding up the synthetic program? Depletion of crude oil reserves and the rising price are working one way; offsetting this are the economic uncertainties connected with the long-term amortization of the more expensive synthetic-process plant and fear that a competitor may come out with a cheaper process.

There's enough known natural gas (nobody knows how much there really is) to produce 7,500 barrels a day for at least 15 years. Deposits of bitumen have been estimated at a billion barrels — enough for 300,000 barrels for at least 22 years.

Why don't we do something about harnessing these resources? Something is being done. In the U. S., practically every major oil company is making synthetic products in greater or lesser amounts. More than a score of pilot plants are perfecting various phases of synthesizing gasoline and Diesel and fuel oils. Two companies have started building large-scale plants to make synthetic fuel for commercial sale.

But so far only the surface has been scratched. The U. S. was spending about $10 millions a year on developing a synthetic oil industry. The big obstacle to swift expansion is economics. As long as we can manage to get along with natural oil, it would be uneconomical to build a synthetic oil industry.

Costs Hold Up Development

Today's refinery costs about $1,500 a barrel of daily capacity. A plant to produce oil from natural gas would run about $4,000 a barrel; and for coal, as much as $7,000 a barrel a day.

Naturally, oil companies are reluctant to sink that kind of money into processing plants which could rapidly become obsolete as science develops new methods of production.

But this isn't the only deterrent. A wild plunge into synthetic production would throw whole segments of our economy out of kilter. Drastic readjustments would be necessary.

For example, last year we used, on the average, about 260,000 barrels of oil a day. To make that much from coal, we would need about 60 million tons a year. Yet last year, the whole Canadian output of coal amounted to only 15 million tons. To meet our needs, we had to import another 30 million tons.

To make oil out of natural gas would mean diverting fuel now being used to heat homes and run industry. Furthermore, the plants would take thousands of tons of scarce steel. None of these would be insurmountable obstacles if the need were great enough. But without the impetus of such need, conversion will be slow.

But if war comes, these economic considerations might have to be forgotten. Germany had to ignore them. During the peak production in 1944, the Nazis were producing synthetic oil at the rate of about 1 billion gallons a year — almost half of her total output.

Synthetic Gas Inevitable

On this continent greater exploitation of domestic fields could probably delay such a program. But in view of dwindling reserves, a synthetic industry seems to be inevitable.

Already the U. S. Government is prodding the petroleum industry into greater effort. Secretary of the Interior J. A. Krug has indicated the time may come when the Government will be forced to get into the synthetic oil business itself in a big way. He's mentioned a $9 billion industry, capable of producing 2 billion barrels a day.

So far, in Canada, there's only been talk, but serious talk. It has been estimated that for $40-$45 millions, we could have a synthetic fuels plant capable of turning out at least 10,000 barrels of gasoline, 2,000 barrels of Diesel oil and 200,000 lbs. of chemicals every day. The raw materials would be natural gas and oxygen.

But this wouldn't be much more than a drop in the bucket. Last year, we burned up gasoline at the rate of about 100,000 barrels a day. We would need a plant 10 times as big to meet that kind of demand. In addition, we use another 160,000 barrels a day in other ways.

Can We Afford to Wait?

In view of the current tight oil situation and the distinct possibility that it's going to get tighter, can Canada afford to wait until the U. S. has perfected synthetic facilities before going into high gear on a program of her own?

Today gasoline and fuel oil are economic "musts." We have to have them to exist as an industrial factor. We have the natural resources for a synthetic fuels industry:

Alberta and Saskatchewan, not to mention the untouched Peace River district in British Columbia, have enough coal to sustain a synthetic oil industry for hundreds of years. There are 350 million barrels of bituminous sands in the McMurray area of Alberta, maybe 1 billion barrels of bitumen. Alberta has an estimated 1 trillion cu. ft. of natural gas. Some experts would triple this figure.

Canadian refining campanies that have done some research in natural gas haven't given out any estimates on the cost of the finished product. But Stanolind Oil and Gas Co. now putting up a $19 million synthesizing plant at Brownsville, Texas, claim they can produce synthetic gasoline at a profit at today's prices.

This is believed based on natural gas selling at 5c per 1,000 cu. ft. In Alberta, several pipeline companies would be willing to pay more than that for gas to heat Winnipeg and Vancouver, if Alberta would sell.

But several of the large oil companies have options on huge known reserves. Imperial Oil, for example, conservatively estimates its reserves of natural gas in the Kinsella-Viking field at 550 billion cu. ft.

Wait And See

The ticklish question facing industry and government is: In the interests of the Canadian economy, what should the gas be used for; heating now or possible fuel later on?

There is evidence that the Leduc discovery has taken a lot of the steam out of Canada's synthetic fuels program. Government research is barely in the pilot plant stage while refining firms are waiting to see what happens in the U. S. before sticking their necks out here.

It may be shortsighted to count so much on the Leduc field — important as it is — say experts. They warn the U. S. may still decide to cut exports to Canada by the amount of our increased domestic production. This would put us back where we were before Leduc although we wouldn't be spending so many U. S. dollars.

The "potential" of the whole field has been placed at 100 million barrels. At current consumption rates this would just about supply the Dominion's requirements for a year. It would about take care of the three prairie provinces' demand for five years.

If, however, Alberta's potential Devonian limestone keeps yielding more oil fields as important as Leduc the urgency of a synthetic fuels program would diminish. Canadian and U. S. oil companies think the province promising enough to spend in the neighborhood of $28 millions in exploration work there this year. Imperial Oil Co. thinks the outlook promising enough to switch an $80 million investment out of International Petroleum Co., and its producing South American petroleum fields to Alberta.

Over the longer range, cost trends in petroleum producing and refining will have an important bearing on the rate of growth of synthetic liquid fuel output. The cost of finding and developing new sources of crude has been going up for years. It is estimated that oil companies must spend six times as much as they did 10 years ago for every barrel of crude. Add to that the fact that the synthetic process is still in its infancy, that improved technology and experience will likely point the way to important operating economies and to lower initial capital outlays, and the future for "synthetics" seems assured.

Tips For Travellers

BY RONALD A. McEACHERN

BAARN, (THE NETHERLANDS)—This is a superb "country estate" sort of village, very near the main business centres of Holland (Amsterdam, Rotterdam, Utrecht, Haarlem and The Hague). Everything is near in Holland. The Chalet Astoria, where I stay, is very well known to many Canadians of the liberation army. Local folk tell me they banged up this fashionable spa hotel much less than the Germans who lived in it previously.

What's it like traveling in this part of Europe now? I make this a "tips for travelers" piece.

Bring your own soap and toilet tissue. There is no soap whatever in the hotels.

Bring your own cigarettes—if you smoke. Cigarettes are extremely scarce, and rationed. In Holland, 80 for a man per month, 40 for a woman. Netherlands custom's men are extremely strict; but a relatively large cigarette supply is admitted on payment of a modest tax.

Travel light. Most of the time you'll have to carry all your own luggage. The trains are jammed, and you line up long for taxis. At Amsterdam station, the line-up looks chaotic, but each person in the crowd picks a priority ticket off a telephone pole, so equity is served. I'm told porters exist, but I've never been able to find one around stations in this country.

Soap, Cigarettes, Pay Off

Be prepared to overlook your Canadian habits about fresh laundry—if you will be moving about considerably. Hotel laundries want three to six days. I've been successful a couple of times in talking chambermaids into doing rush jobs for me. A package of cigarettes, a cake of soap and a couple of guilders are sometimes very persuasive for this purpose, I have found. The soap is most important. These people are desperately short of it. My Lifebuoy is perhaps not intended to be equally versatile on body, shirts and socks, but my stuff comes back fine.

For Holland, at least, don't plan any black-market currency deals. This country has a Nova Scotia conscience which reaches all the way down through officialdom. Report accurately the money you take in, cash your money officially, and get it recorded on your currency form. You'll have to account for all of it on the way out.

After all, this little country has lived with customs and currency barriers for a long time. During the occupation several million Netherlanders were engaged in the highly dangerous, but instructive, smuggling methods of the underground.

A few days ago, a charmer turned up at the airport bound for London. Her answers weren't frank enough to convince the authorities. When searched, she had a very professional surgical bandage where her appendix might have been.

"Oh, no, I've just come from the hospital," protested the victim, when asked to remove her bandage.

"We'll bring a doctor," said the customs man.

A doctor removed the bandage, found inside riches in contraband currency.

Episodes like that simply whet the enquiring appetite of these meticulous Netherlanders.

Be prepared in Holland to eat vast meals. For centuries the nation's appetite has been celebrated. Now, in his home, the Netherlander is severely rationed. He gets what is theoretically enough for life and some energy, but it's grim, and vastly less than he likes. Hotels and restaurants are not rationed—to help promote tourist trade, and to provide a safety valve for a much-regimented population.

But a Holland restaurant meal is almost two to three times that of Canadian quantity. Potatoes are not only a major item in the meal, but Netherlanders love them. "At home I guess we run about eight or nine potatoes a day each," one "white collar" man told me. Since his meat and cheese ration is so tiny, I'm not surprised.

Vitamin pills are a good thing for the traveler to carry. He may not need them, but his European friends will. You can pass out vitamin pills at an official party as politely and with as much acclaim as you would superfine cigars at home. Keep a bottle in your pocket; people gulp them gladly.

If you're fussy, or if your wife is, carry something for the air in your hotel room. The people try hard to make you comfortable, but hotel rooms and corridors never seem to get adequate airing. All of them have a fusty smell, which gets tiring.

Right now, Holland is reputed to be a good place to buy French perfume. Some astonishing prices result from present import methods in which, to get something you want, you have to take a batch of things you don't want. Because of this, Holland is getting a lot more French wines than her economic planners would like. But the Hollanders frequently get wines at bargain prices.

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Stelco's Sales And Production At New Record

Production and sales of Steel Co. of Canada during the first quarter of this year were the highest in its history for a similar period, President H. G. Hilton told shareholders at the annual meeting this week. In each of the first three months of the year, ingot production was greater than that of the corresponding month in any previous year and during March a new monthly record for ingot production was achieved, he added.

"The various finishing departments are all fully engaged and have a substantial backlog of orders as the demand for steel in all forms manufactured by your company continues greater than the supply. In the absence of any fundamental change in world conditions, capacity operation seems assured for some time to come," Mr. Hilton stated.

Pointing out that the 1947 net profit of $5,567,708 as a dollar figure was the highest for any year Mr. Hilton said: "In comparison with the prewar period, it is not commensurate with the increased volume of business and, in terms of purchasing power for plant replacement or expansion, it is not at all equivalent to prewar profits. Furthermore, added earnings might reasonably be expected from the heavy expenditures on new plant facilities made by the company during and since the war. The profit for the year represents approximately 7% on the net amount invested in the enterprise. This is very moderate return when prevailing conditions are considered.

"In addition to the substantially larger amount of working capital required for inventories corresponding to the present high levels of production and sales, it is imperative that funds be accumulated to supplement normal depreciation reserves needed for the replacement of machinery and equipment. Since the present cost of steel mill construction is at least double that of 1939, normal depreciation reserves will be inadequate to the extent of at least 50% to replace assets created at the outbreak of war and even more so in the case of earlier installations . . . If a business is to be self-perpetuating it must have funds available for replacements as they become necessary," Mr. Hilton stated.

Pointing out that while it is difficult to determine what the future level of normal steel demand will be and that the U. S. dollar shortage has arisen as a new complication Mr. Hilton states: "It appears reasonably certain that the future position of your company can only be adequately supported by further substantial investments in new plants, both to increase basic production and broaden the range of products sold provided construction costs become more reasonable. It is therefore essential that the liquid resources of the company be conserved in its long-term interest."

Referring to new wage agreement effective April 1 and to salary adjustments made at the same time, Mr. Hilton estimates that approximately $3 millions will be added to the company's payroll as a result.

W. Taylor-Bailey, vice-president and general manager of Dominion Bridge Co., was elected a director. R. M. Kelday, formerly assistant secretary and assistant treasurer, was appointed assistant to the president.

See Imports Up U. K. Textiles

MONTREAL (Staff)—Canadian cotton textile mills will face increasing competition from Lancashire mills, Montreal Cottons vice-president and managing director, W. G. E. Aird told shareholders at the annual meeting last week. He added that English prices are high, and seem to bear little relation to cost of production.

Mr. Aird said the Canadian scale of wages is higher than in Britain. And while more modern equipment and organization in domestic mills tend to offset the lower wages, the British industry is contemplating intensive schemes of modernization. The United Kingdom Government is giving the industry all its support, he stated.

His company's costs are still rising, Mr. Aird said. Raw cotton price is influenced by world supply and demand, and the cost of mill supplies is still going up. Special efforts are needed to increase manpower production in this country, since output per worker is still below standard levels. Labor generally must realize that the time is coming when all our joint efforts will be needed if we are to meet successfully the competition that will face the industry in the future, Mr. Aird declared.

Textile imports from Britain will doubtless show an increase this year, Mr. Aird thought, but total textile imports will probably be less by reason of U. S. import restrictions. The greater part of the machinery required for Montreal Cotton's large-scale modernization program is expected during the year, Mr. Aird said. Prices of machinery and machinery parts are high, and may go higher still.

Help In Making Tax Return Costs Farmers More Than Tax

From Our Own Correspondent

EDMONTON—In many cases farmers are paying more to someone to make out their income tax returns than they pay in taxes, R. C. Marler, chairman of the Federation of Agriculture, stated here.

He said income tax regulations and farm income tax forms were considered at the recently held initial meeting of a tax committee set up by the federation. He maintained farmers are generally agreed income tax is fair, but its application and present method of collection are not creating a good feeling among the agricultural population. Only a small percentage had sufficient training in bookkeeping to understand the terminology and fill out the complicated forms, he said.

He said the federation's committee did not seek to protect evasions, but changes in regulations and a simplified form. The committee also is considering the possibility of a "production tax or sales tax at an alternative to the income tax."

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

EMPIRE LOAN CO. 1947 net profit was $4,455 ($547 in 1946). Total assets were $521,415 ($540,604); mortgages and sales agreements $441,290 ($431,534); liquid assets $80,125 ($109,070).

	1947	1946
Liab. to public, etc.*	$10,652	$34,394
Forfeited shares	778	778
Shareholders' equity	509,985	505,432
*Secured by:		
Mtge. & sales agree.	441,290	431,534
Liquid assets†	80,125	109,070
Total	521,415	540,604
†Includes bonds and stocks.		
Earned per share‡	$0.70	$0.09

No dividend payments.
‡Based on capital paid-up.

LAMBTON LOAN & INVESTMENT CO. 1947 net profit was $78,232 ($89,631 for 1946). Assets at year end totalled $5,620,774 ($5,637,870); liquid assets $2,958,994 ($3,058,698). Business has been gradually expanding, it is stated.

	1947	1946
Liab. to public, etc.*	$3,937,323	$3,969,471
Shareholders' equity	1,683,451	1,668,399
*Secured by:		
Mtge. & sales agree.	2,628,780	2,554,308
Realty for sale	14,952	5,797
Office premises	18,048	19,067
Liquid assets†	2,958,994	3,058,698
Total	5,620,774	5,637,870
†Includes bonds and stocks, of which Lambton Trust Co. stock $330,000.		
Earned per share	$4.96	$5.67
Paid	3.50+0.50	3.50

LAMBTON TRUST CO. 1947 net profit was $14,770 ($17,214 for 1946). Mortgages and sales agreements at year end totalled $151,343 ($150,307 at end of 1946). Liquid assets were $259,850 ($264,984); estate, trust and agency account at year end amounted to $1,895,406 ($1,674,179).

	1947	1946
Liab. to public, etc.*	$4,009	$5.263
Shareholders' equity	407,184	410,028
*Secured by:		
Mtge. & sales agree.	151,343	150,307
Liquid assets†	259,850	264,984
Total	411,193	415,291
†Includes bonds and stocks.		
Estates account	1,895,406	1,674,179
Earned per share	$2.50	$2.73
Paid	2.00	2.00

INTERNATIONAL PETROLEUM CO. 1947 net profit was up 34.9%. Activities were influenced by general trends in the petroleum industry characterized by higher crude oil prices, increased costs of wages and materials and accelerated exploratory programs covering the costly search for new oil reserves.

Improved earnings reflect in some measure the advances in world prices of crude oil; production also increased about 3%. The price increases, however, apply only to a portion of company's crude production as 53% of the 1947 Peruvian output was destined to the domestic market, where no appreciable portion of price increases has as yet been obtained, the annual report states. Of the year's production in Colombia, 46% was likewise consumed locally and price increases did not correspond with world advances. Venezuelan crude oil production does go freely into world markets.

The inflationary trend has caused considerable labor agitation, political unrest and disturbances and this situation has delayed petroleum legislation and implementation of contracts by governments of some of the countries where company interests are located.

The results achieved from intensive 1946-7 exploratory and development programs in Colombia have not been, thus far, commercially productive. Such programs in Peru, however, have been reasonably successful and those in Venezuela up to expectations.

A protracted labor strike occurred in a portion of the company's Colombian operations from Jan. 7, 1948, to Feb. 25. The basic issues involved have not been finally settled. This interruption drastically curtailed Colombian production for that period and involved the company in further loss due to costly importation of products in an endeavor to meet domestic requirements during the strike and the operating adjustment period thereafter. The average crude oil output in both Venezuela and Peru to March 30 this year has been slightly higher than the same period for 1947.

The only change to the company as a result of the proposed sale by Imperial Oil of its International Petroleum holdings to Standard Oil Co. (New Jersey) is to make the company's affiliation with Standard Oil direct rather than indirect as in the past.

Gross crude oil production in 1947 amounted to 39,807,497 barrels (38,530,971). Of this 12,261,206 (12,724,235) came from Colombia, 10,205,658 (10,022,533) came from Peru and 17,340,633 (15,784,203) came from Venezuela.

Production from the La Brea-Parinas Estates was 10,205,658 barrels of crude oil, or 27,961 barrels per day, an increase of 1.8%; and 886,374 barrels of natural gasoline, or 2,428 barrels per day, a decrease of 3.6% from 1946. Drilling efficiency was improved and more wells were completed in 1947 than in 1946, with a reduced number of drilling rigs. Well completions totaled 102, of which 32 were non-producers, 66 were crude oil producers, including three which were successful in opening new pools and four were gas producers. Total footage drilled was 345,237 (325,568 ft. in 1946). The contract entered into with the Peruvian Government for exploration and exploitation of the petroleum concession covering a large area in the Sechura desert of coastal Peru is still pending final action of Peruvian Congress, scheduled to meet July, 1948.

Production of crude oil in Venezuela was obtained through a 25% participation in that of Mene Grande Oil Co. The company's share was 17,340,633 barrels, an increase of 9.9% over 1946. Drilling operations in which the company has an interest were intensified and resulted in completion of 185 wells with the total footage of 1,210,311 (165 and 1,005,191). Wells completed as oil producers in 1947 numbered 165, including one which led to discovery of a new field and six to extensions to existing fields. The concessions total approximately 4.8 million acres, of which about 1.5 million remain in the exploration stage. Construction projects of an extensive nature were carried out paralleling the expanded drilling and producing programs.

Crude oil production in Colombia showed a decline of 3.6% from 1946. Production of natural gasoline was 907,072 barrels or a decline of 8.8%. The entire production was from the De Mares concession. The completion of all development wells in the proved areas of the De Mares concession in 1947 concluded development drilling on this property so that production there will decline in succeeding years at an increasing rate. The number of wells completed was 95. None was abandoned in 1947, but it appears likely that seven will be considered noncommercial.

Exploration programs in Colombia were energetically pursued. Subsidiaries hold 656,365 acres of national lands under concession contracts (excluding the De Mares concession) and 422,000 acres of private lands under leases. The company has interests in large additional acreage for which concession applications have been filed. The work of the current year has indicated several drilling prospects some of which may warrant exploratory drilling.

Drilling of established prospects in Colombia continued and seven wildcat wells in which the company had an interest were completed, two of which encountered encouraging showings of high gravity crude oil but none were commercial producers. Drilling of three additional exploratory wells was continuing at the year's end. Costs of wildcat drilling in Colombia are very high by reason of difficult terrain and transportation problems.

Refining operations at Barranca-Bermeja averaged 20,986 barrels of crude oil and natural gasoline per day (14,019). Additions and alterations to existing lubricating oil manufacturing facilities are under way to permit the adoption of a clay-treating operation which will improve lubricating oil quality. Marketing by the company's subsidiary in Colombia reached a record volume and sales of products increased 25.5% over 1946.

The company has an equal interest with national capital in the Compania Colombiana de Gas S.A. which was organized to distribute liquefied petroleum gas throughout Colombia.

A final charge of $1,295,475 was made against 1947 income to write off the International Ecuadorean Petroleum Co. in which the company held a 60% interest.

Expenditures capitalized during the year totalled $28,486,325.

CONS. INCOME ACCOUNT▲

Years Ended Dec. 31:	1947	1946
Net earnings	$39,598,607	$29,859,219
Less:		
Depr. & depl.	13,629,904	10,828,665
Prov. for loss in subs. & assoc. explor. cos.	4,895,471	3,500,000
Props. w/o	......	......
Net oper. profit	21,073,232	15,530,554
Add: Int. & div.	373,216	483,770
Less: Taxes	10,220,728	7,692,072
Min. int.	24,924	21,674
Net profit	11,200,796	8,300,578
Less: Pref. divds.	100,000	95,455
Common divds.	7,162,044	6,836,496
Surplus	3,938,752	1,368,627
Earnings per Share and Dividend Record:		
Earned*	$0.77	$0.57
Paid■	0.50	0.50

*Pref. and common stock rank equally.
▲U. S. funds. ■Canadian funds.

CONDENSED CONS. BALANCE SHEET■

As at Dec. 31:	1947	1946
Cash & bds.	$11,412,725	$13,432,179
Accts. rec.†	12,447,030	15,715,543
Inventories rec.	36,368,805	27,405,057
Total curr. assets	60,228,560	56,552,779
Misc. assets	5,463,306	5,665,676
Inv. in subsid.	......	1,950,000
Invests. at cost	2,795,636	4,085,125
Fixed assets*	102,825,889	89,615,140
Total assets	171,313,391	157,868,720
Total curr. liab.	21,578,062	13,155,266
Pension, ins., etc. res.	16,216,448	15,131,049
Minority int.	333,218	335,494
Capital stock	100,875,000	100,875,000
Surplus	32,310,663	28,371,911
*After depr. & amort.	201,936,213	189,233,600
†Includes interest bearing deposit with assoc. company of $6,500,000 in 1946.		
■U. S. funds.		
Working capital	38,650,498	43,397,513

Can. Celanese Sales Volume Up

MONTREAL (Staff) — First-quarter sales volume of Canadian Celanese is approximately 40% above the same period last year, executive vice-president C. W. Palmer told shareholders at the annual meeting last week. This was due largely to increased manufacturing facilities now in operation: Expenditures on building and equipment at the Sorel and Drummondville factories last year amounted to $3,771,582.

Construction work of the new Sorel plant was completed in October 1947 and production started on a commercial scale in January, 1948, Mr. Palmer said. New products now being produced include men's and women's suitings and upholstery fabrics.

Additional machinery continues to be received at both plants and it is estimated that to complete the present projects in hand, a further expenditure of some $3 millions will be made, Mr. Palmer stated.

NEW MARLON GOLD MINES Apr. 15 installment of 35,000 shares at 35 cents a share, together with each subsequent installment, have been extended for two months.

Un. Auto Parts Pref. Offered

Further expansion for United Auto Parts, Ltd., is seen with the offering of $500,000 5% cumulative redeemable sinking fund preferred shares, par $100, at $100 a share and accrued dividend by Clément, Guimont Inc., Quebec City. This offering forms part of a total authorized issue of $775,000 of which $275,000 were subscribed and paid in full by Charles Emile Préfontaine, President and Managing Director.

Proceeds of the present issue are to increase working capital and for expansion of the company's operations.

Incorporated in 1926 by Mr. Préfontaine, United Auto Parts Ltd. specialized in the sale of replacement parts for motor cars, a field which had been exclusively in the hands of motor car manufacturers. In 1932 a policy of aggressive expansion throughout the province of Quebec was adopted, which resulted in the course of the following 15 years in providing all the principal cities and towns with 31 distribution depots specializing in replacement parts for motors and equipped for efficient service.

In order to supply electrical parts, the company acquired International Electric Co. in 1945, which was an old established concern founded in 1897.

In 1946 United Continental Engines Ltd. (with branch in Toronto) was incorporated to distribute Continental motors and their parts throughout eastern Canada. Also in 1946 the company purchased James Cowan & Co. (founded in 1865) with head office in London and four branches; General Machine Shop Ltd. (London); Hall Gear & Parts Ltd. (Toronto); National Automotive Parts Ltd. (Toronto) with six branches in Ontario area; Standard Motor Replacements Ltd. (Toronto); and Welland Automotive Parts Ltd. (Welland). In 1943 it had bought Bennet & Elliott Ltd. and in 1945 Acme Bearings and Parts Ltd. with its subsidiary Acme Tractor & Industrial Supplies Ltd. both of Toronto. The company has 21 distribution points, the greater number of which is situated in the Niagara Peninsula.

In 1947 a central warehouse in Montreal, Canadian Automotive Warehousing Ltd. was built to serve as a national distributing centre for replacement parts and a service depot for the Quebec Division. The company also obtained a contract to secure from an associated company, Master Motor Mfg. Ltd., the exclusive distribution and sale of factory remanufactured motors.

United Auto Parts Ltd. and its 54 subsidiaries at present is considered the largest distributor of motor parts in Canada, Mr. Préfontaine points out.

Capitalization, on completion of the present issue, will consist of $1 million authorized, $900,000 outstanding, 3½% serial debentures due Aug. 1, 1948-56 ($100,000 a year); $775,000 authorized and issued 5% preferred shares, par $100, and 30,000 authorized and issued common shares par $10.

The auditors' report indicates net profit after bond interest, depreciation and income and excess profits taxes but including the refundable excess profit taxes, averages $247,651 a year for the five fiscal years ended in 1947. This is 6.4 times the maximum dividend requirements of $38,750 for the first year on the preferred shares.

Directors are Chas. Emile Préfontaine, president and managing director; Roger Messier, vice-president and comptroller and Maurice Préfontaine, secretary-treasurer. It has been decided to increase the number of directors to five and to invite Messrs. Henri Clément and Paul Henri Guimont, investment dealers, to sit on the board.

Robt. Mitchell Prospect Good

MONTREAL (Staff) — Good business prospects and a strong financial position were the good news which Robert Mitchell Co.'s president and managing director, E. C. Holland, brought to shareholders at the annual meeting last week. The company is in the strongest financial position it has ever enjoyed and orders and contracts on hand are substantial, Mr. Holland stated.

Since the close of the year, the company has received payment in full of $1,269,118, shown on the balance sheet at Dec. 31, 1947 as recoverable from the Dominion Government for excess profits taxes. This enabled the company to liquidate a bank loan of $620,000 at the end of 1947.

Mr. Holland said the directors are constantly exploring possibilities of new products to add income and to diversify operations. They do not plan to embark on any enterprise requiring large capital expenditures. Canadian railroads have ordered or are contemplating large amounts of passenger car equipment which will result in a considerable amount of business for the company, the president stated.

Development of the cutlery line of Ekco is proceeding favorably, with taper and hollow-ground lines now being produced. The foundry has been kept up to a peak of efficiency and is expected to yield a return on such investment soon.

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Sumner Gets Big Australian Order

From Our Own Correspondent

VANCOUVER—Canadian Sumner Iron Works, has been awarded the contract to supply Associated Pulp & Paper Mills, Burnie, Tasmania, with equipment for a new mill; an order expected to involve several hundred thousand dollars.

The machinery will include a a Bellingham-type hydraulic log barker, of the kind pioneered on the Pacific coast; log hauls, log deck machinery, turners, band mills, sawmill carriages, two chippers and other items, all to be manufactured in the Sumner plant here.

The Australian firm experimented with the hydraulic barker on the eucalyptus logs which it uses for manufacturing fine papers, and found it exceptionally suitable. These barkers remove bark from logs by high pressure water streams, rather than the old-time scraping or peeling processes; thus saving a large part of the wood, formerly wasted.

GOLDVUE MINES has received payment for Apr. 13 installment of 50,000 shares at 15 cents. Issued capital is 3,412,005 shares.

INVALUABLE FOR INCOME TAX PURPOSES—

The Financial Post Corporation Service

1947 DIVIDEND RECORD

The annual edition of The Financial Post Corporation Service Dividend Record gives complete information on dividends paid by Canadian companies in 1947. An example follows:

Amount $	Payable or paid	Record Date
Dominion Textile Co., Ltd.		
7% c pf. ($100) Rate $7 p.a. (Q)		
1.75	Jan. 15/47	Dec 16-xd 13
1.75	Apr 15/47	Mar 15-xd 13
1.75	July 15/47	June 16-xd 13
1.75	Oct 15/47	Sep 15-xd 13
Paid: 1946—$7.00; 1945—$7.00		
Common (np) Rate $5 p.a. (Q)		
1.25	Jan 2/47	Dec 5-xd 4
1.25	Apr 1/47	Mar 5-xd 4
1.25	July 2/47	Jun 5-xd 4
1.25	Oct 1/47	Sep 5-xd 4
Paid: 1946—$5.00; 1945—$5.00		

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COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

COMBINED ENTERPRISES Montreal, 1947, net profit was up narrowly at $123,646 (117,720). Total sales volume of wholly owned subsidiaries showed a substantial increase, which permitted the company to maintain profits at approximately the same dollar level in the face of increases in raw material and operating costs, the annual report states.

At the Conant Co., an additional 4,000 sq. ft. of warehouse space was constructed during the year and a new high-speed roll mill installed, together with the necessary auxiliary equipment and tankage. These, together with a rearrangement of manufacturing facilities on a more efficient basis which will soon be completed, will more than double company's production capacity and place it in a better position to fill increasing demand for its products.

At Stuart Bros., plans are under way to install an experimental kitchen which will operate in conjunction with Research Laboratories. At the Snap Co., work is progressing satisfactorily in the development of new allied lines to be marketed in conjunction with existing Snap products.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	•1946
Net earnings	$215,826	$222,435
Less: Depr.	11,758	7,815
Income tax	87,041	104,361
Add: Assets & sec. sale	6,619	7,461
Net profit	123,646	117,720
Less: Pref. divd.	38,750	31,661
Surplus for year	84,896	86,059
•Incl. accts. of The Conant Co. Ltd. from July 31, to Dec. 31, 1946.		
Earnings per Share and Dividend Record:		
Pref.: Earned	$15.95	$15.19
Paid	5.00	5.00
Common: Earned ..	0.85	0.86
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$28,682	$45,555
Mkt. secs.	83,801	88,601
Accts. rec.	144,626	77,872
Inventories	319,460	295,544
Total curr. assets ..	576,569	507,572
Misc. assets▲	100,453	108,153
Trademarks, etc.	99,228	99,228
Fixed assets*	542,603	514,045
Total assets	1,318,853	1,228,998
Total curr. liabs. ...	146,829	150,241
Capital stock	825,000	825,000
Capital surplus	142,899	134,528
Earned surplus‡	204,125	119,229
*After depr. of	98,995	87,389
▲Incl. ref. EPT	68,492	79,255
‡Incl. ref. EPT	79,255	79,255
Working capital	429,740	357,331

STOVELL SCREW CO. 1947 net profit was $25,125 ($18,640). Modernization and enlargement of company manufacturing facilities have progressed favorably and have permitted a moderate increase in tonnage of products. This has enabled the company to overcome to a certain extent, the considerable increase in cost of labor, raw materials and supplies. Shortage of skilled labor hampers manufacturing program and, of necessity, limits export business, which would be a valuable part of company business. Raw material deliveries are still a handicap, and require the carrying of heavy reserves.

Orders on company books are said sufficient for operation of the plant for balance of the year.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$65,397	$46,097
Less: Deprec.	17,945	14,276
Bond int.	4,970	69
Income tax	17,357	13,112
Net profit	25,125	18,640
Less: Cl. A divds.	11,250	11,250
Surplus for year	13,875	7,390
Earnings per Share and Dividend Record:		
Cl. A: Earned	$3.35	$2.49
Paid	1.50	1.50
Cl. B: Earned	0.79	0.42
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$5,658	$122,555
Accts. rec.	92,542	44,958
Inventories	158,584	92,413
Total curr. assets ..	256,784	259,926
Misc. assets▲	11,629	17,144
Fixed assets*	450,879	412,548
Total assets	719,292	689,618
Total curr. liabs. ..	98,474	59,344
Funded debt	143,000	155,000
Capital stock	50,000	50,000
Capital surplus	278,171	278,171
Earned surplus▲	149,647	147,103
*After depr. of	43,187	25,241
▲Incl. ref. EPT	9,682	16,388
Working capital	158,310	200,582

JENKINS GROCETERIAS LTD., Calgary, 1947 net profit was off 15.7%. Sales reached new peak, $708,641 above the previous year. Some of this increased volume was due to the opening in 1947 of two new stores in Calgary and modernization of outlets in Banff, Lacombe, Innisfail, Hanna and Macleod. In the first three months of 1948 two additional Calgary stores have been completed, and one in Taber. Retail outlets now in operation total 45.

Rising costs and narrowing profit margins present many problems, the annual report states.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$88,787	$121,716
Less: Depreciation ...	15,900	10,383
Bond interest	24,312	24,645
Income tax	18,446	41,652
Add: Asset sale	5,872	2,187
Non-recurr. inc. ...	3,000	......
Net pref. & surp.	39,001	47,223
Times Interest Earned:		
Before deprec.	3.65	4.94
After depr.	3.04	4.52
Earnings per Share and Dividend Record:		
Class A & Ord.	$1.62	$1.93
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & mkt. secs. ...	$50,263	$162,484
Accts. rec., etc.	39,465	47,932
Invest.	3,800	24,500
Inventories	797,164	577,060
Total curr. assets ..	890,692	811,966
Misc. assets▲	93,863	85,257
Fixed assets*	206,827	168,866
Goodwill	22,205	......
Total assets	1,315,687	1,066,089
Bk. ln. & o/s chqs. ..	234,340	138,346
Other curr. liabs.	178,956	159,610
Total curr. liab.	413,496	297,956
Funded debt	444,800	472,600
Reserve	78,440	58,738
Capital stock	22,205	......
Surplus▲ §............	356,746	236,795
*After depr. of	225,180	211,921
▲Incl. ref. EPT	66,759	66,759
Note: No valuation of n.p.v. capital stock shown in 1946.		
Working capital	477,196	514,010

JAMAICA PUBLIC SERVICE 1947 net profit was up 5.8%. Operating revenues continued the unbroken upward trend by setting a new record for the 13th consecutive year. Revenues from all departments totalled $2,071,600 and were $220,900 (12%) over 1946. Electric department revenues, at $1,604,200, were $247,200 (18%) higher than in 1946 due to increases in all classes of service. Residential and commercial revenues benefited by gains in the number of customers served and by greater use per customer. Revenues derived from sales of power for irrigation water pumping were 15% above 1946, due to continuance of severe drought.

Tramways revenues at $397,400 were $29,500 below 1946, due to discontinuance of service on a section of track in July, and to increased number of new buses placed in service. Industrial revenue increased 29%.

Operation and maintenance expenses were $1,346,200—up $194,800, due to higher cost of fuel used in generating electricity and to increased rates of pay to employees.

The long drought reduced steam flow, and operation at the Bog Walk Hydro plant and the White River Hydro plant was seriously affected. These stations, however, generated 21,404,600 kw.h. or 42% of the total production in all plants. Electric generation by all plants totalled 50,630,000 kw.h. (45,282,000 in 1946).

The new Roaring River Hydro plant is now scheduled to start around June 1, 1946. In addition to providing vitally needed generating capacity, the plant will, by relieving the fuel-burning plants of much of the load, reduce fuel oil purchases substantially. Expenditures for construction totalled $1,357,700.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$717,345	$683,503
Less: Int. & amort. ..	102,968	99,263
Retirement res.	130,000	125,000
Income taxes	127,954	122,368
Net profit	356,423	336,872
Less appropriations:		
Pref. divds.*	25,067	25,067
Pref. B divds.*	114,452	21,992
Pref. C divds.*		16,150
Pref. D divds.*		64,266
Common divds.	113,400	91,800
Surplus for year	103,504	117,597
*Jamaica Public Service Co.		
Times Int. and Amort. Earned:		
Before retire. res. ..	6.97	6.89
After retire. res. ..	5.70	5.63
Earnings per Share and Dividend Record:		
Common: Earned ..	$1.61	$1.55
Paid	0.84	0.68
Note: Figures converted from £ sterling at rate of $4.86⅔ to the £.		

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$170,779	$289,082
Accts. rec.	246,377	251,466
Inventories	551,246	450,425
Other curr. assets	16,222	......
Total curr. assets ..	984,624	990,973
Prep. exp., etc.§	6,574	9,887
Unamort. bond disc. .	49,857	51,120
Misc. assets	209,909	141,236
Fixed assets	8,400,801	7,052,523
Total assets	9,651,765	8,245,739
Due bank	365,000	......
Accts., taxes, etc., pay.	448,534	369,707
Total curr. liab.	813,534	369,707
Def. cred., etc.	3,917	4,414
Retire., etc., res.	1,501,357	1,414,385
Sub. deb. stk.	2,839,700	2,433,333
Capital stock	3,641,883	3,314,383
Capital surplus	135,300	71,567
Earned surplus	716,074	637,950
§Incl. in curr. assets in co's. report.		
Working capital	171,090	621,266

PHOTO ENGRAVERS & ELECTROTYPERS LTD. net profit for the year ended Feb. 29, 1946, was up 33.7%, due principally to record volume of business handled. Owing to considerably higher wage and material costs this past year, percentage of net profit before taxes, in relation to sales, was lower than a year ago, the annual report states.

An increase of $146,065 in fixed assets represents expenditures made principally for new plant equipment and for additions and improvements.

INCOME ACCOUNT

Years Ended:	Feb. 29 1948	Feb. 28 1947
Net earnings	$228,003	$204,669
Less: Deprec.	43,009	90,897
Income tax	82,287	77,000
Net profit	102,707	76,772
Less: Divds.	60,000	45,000
Surplus for year	42,707	31,772
Earnings per Share and Dividend Record:		
Common	$3.42	$2.56
Paid	1.25+0.75	1.00+0.50

CONDENSED BALANCE SHEET

As at:	Feb. 29 1948	Feb. 28 1947
Cash	$137,596	$93,062
Bonds at cost†	365,753	365,753
Accts. rec.	213,672	301,485
Inventories	134,705	94,298
Total curr. assets ..	851,726	854,598
Def. charges▲	25,325	18,366
Inv. in subsid.	54,148	57,367
Fixed assets	1,165,920	1,019,854
Total assets	2,097,119	1,950,183
Accts. & tax pay.	175,585	122,109
Divds. payable	45,000	30,000
Total curr. liab.	220,585	152,109
Depr. res.	910,367	876,891
Capital stock	550,000	550,000
Surplus▲	416,167	371,185
▲Incl. ref. EPT	16,450	16,450
†Market value	365,560	381,130
Working capital	631,141	702,489

UTAH ELECTRONICS (Canada) LTD. 1947 net profit was off substantially at $15,997 ($68,204). During the year a revision of the Magnetic Recorders Ltd. contract was made and the company now has exclusive sales and manufacturing rights to its recorder patents throughout the world. This revision should greatly benefit the company in the years to come, it is stated. Installation of the assembly line and necessary tooling has temporarily interfered with production and as expected has resulted in lower net earnings. This division is now in efficient operation and production and sales are highly satisfactory, it is stated in the annual report. A substantial increase in earnings is anticipated from this division in the current year.

Present orders and contracts on hand are substantial and it is expected that sales and production will considerably exceed those of 1947.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$34,292	$75,855
Less: Depr.	7,254	6,338
Income tax	11,041	1,313
Net profit	15,997	68,204
Less: Pref. divds.	6,557	......
Surplus for year	9,440	68,204
Earnings per Share† and Dividend Record:		
Before participation:		
Preferred	$0.61	$2.59
Paid	0.25	....
Common	0.05	1.10
None paid.		
After participation:		
Pref. & com.	§	0.89
†Based on present capitalization.		
§No earnings available for participation.		

YOU ASKED US

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INCOME TAX

Paid in Wheat

About two years ago I traded my tractor for several hundred bushels of wheat. I sold this later receiving the cash and recently got some extra money on participation certificates. Is my part of this money taxable?

No. The tractor was a part of your capital equipment and the wheat you received for it simply represented return of capital as a sum of money would.

Works in U. S. Harvest

I am a farmer owning a "combine" harvesting machine. If I cross the U. S. border this fall and do custom combining there, are the proceeds subject to income tax?

Yes. You are allowed, of course, the usual deductions for any tax paid or deducted at the source in the United States.

INVESTMENTS

Roybar Chibougamau

Will you please let me know what results have been secured by Roybar Chibougamau in most recent work? Has the company any plans at the present time?

Roybar Chibougamau Mines last season did some surface exploration on a group of 36 claims staked in the Burge Lake area (Duplessis twp.) of Quebec. Panning of a mineralized zone returned "colors" at three places over a length of 2,000 ft.

Further work is to be carried out on this property in 1948, and this apparently is the present chief centre of interest.

In Roy twp., Chibougamau area, diamond drilling was carried out in 1947 and a small lens was indicated containing 40,000 tons averaging 2% copper and 0.02 oz. gold per ton. Work on other sections, however, did not return favorable results, and this lens is too small to represent ore by itself.

Eastern Steel

Please give me a brief review of the position of Eastern Steel Products.

Eastern Steel Products, Ltd. common stock is currently selling around $9.25 a share to yield about 6.49% on the basis of its present 60c annual dividend rate.

Earnings per common share for the fiscal years ending November 30 were $1.13 in 1947, 82 cents in 1946 and 52 cents in 1945. The present common has only been outstanding since early in 1946, following the subdivision of the old common stock on the basis of four new common shares for each old share.

Sales of the company's products established a new high level during 1947. While there was some improvement in the supply of raw materials during 1947, this was somewhat offset by the fact that inventories still remained in an unbalanced condition, the annual report states. A slight increase in the quantity of materials available is expected in 1948, but the greatest improvement is anticipated from better balanced inventories, the report adds.

The company has a large volume of orders on hand, and if supply of materials continues to improve, the outlook for 1948 appears very favorable, particularly in view of the improved operating efficiency and productive capacity of the plant, the report states.

Capitalization of the company now consists solely of common stock, of which 288,144 no-par-value common shares are outstanding.

Working capital amounted to $1,561,967 at Nov. 30, 1947, an increase of $109,686 over the previous year. This increase was in spite of substantial expenditures for purchase of additional class A and B shares of W. D. Beath & Son Ltd. and for purchase of new capital equipment.

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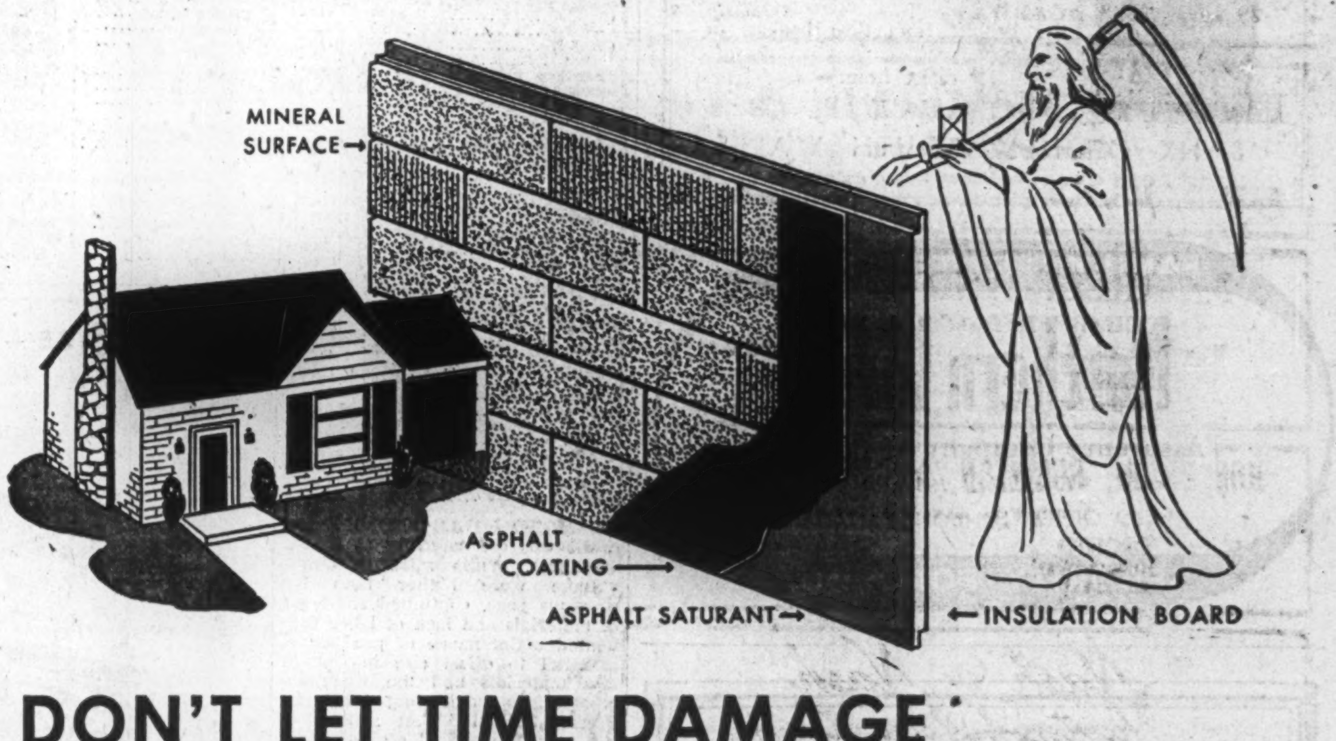

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TORONTO

Sask. Insurance Venture "Trial and Error" Test

From Our Own Correspondent

REGINA—Venture of Saskatchewan's CCF Government into the insurance field was branded here as a "trial and error" experiment by James Matson, Montreal, manager for Canada of the Royal-Liverpool group of insurance companies.

The Government is boasting about keeping money in the province through its insurance operations, he said, yet one-quarter of all the fire insurance it writes is reinsured with Lloyds of London.

"It is obvious the Saskatchewan Automobile Accident Insurance scheme is an experiment," he said. "The first year, the Government overcharged the public and found it had an unallocated profit of $767,000. Then the benefits were increased by adding some collision coverage, so that at the end of a further nine months the estimated unallocated profit was about $8,000."

Now the Government has changed the benefits again, he said. As the Government itself has stated, the fund will probably carry itself. "The Government doesn't know. It is still experimenting."

Mr. Matson said that throughout this experiment, the Government has compelled the public to accept limited benefits and, unfortunately, the limited benefits may have made people not versed in insurance feel they are getting a lot for their money.

The original accident benefits were fixed by schedule, thus eliminating adequate indemnity; the collision coverage has a $100 deductible, so has the property damage.

"I know that four out of five property damage claims are under $100," he added.

He was critical of the Government for paying insurance agents which handle its package policy 25% commission. Yet those who handle the package policy cannot sell ordinary automobile policies. The 25% commission is "generous" for automobile insurance, for in Ontario and Quebec, agents handling this type of insurance receive only 20%. But it is difficult to understand the government's attitude toward private agents.

—Ashley & Crippen.

FREDERIC R. BREBNER

until recently vice-president of W. C. Harris & Co., has been appointed treasurer of the Hydro-Electric Power Commission of Ontario.

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Alberta Builders Ask Bigger Housing Loans

From Our Own Correspondent

EDMONTON — Alberta Government is to be asked to guarantee additional mortgage funds up to $1,000 on the construction of new homes in the province, Steve Hrudy, president of the Edmonton Home Builders' Association, announces.

Objective is the construction of low-cost homes for a down payment of approximately $850. Hrudy said the average down payment of $1,800 asked for a new house in Alberta is preventing many persons from building their own homes.

The association executive endorsed the assistance plan passed at the last session of the Ontario Legislature. This plan provided for additional mortgage guarantees of up to $1,000 per home and is limited to 10,000 homes.

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COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

GORDON MACKAY & STORES LTD. 1947 net profit was up 22% from the 10-month period ending Dec. 31, 1946. Although company sales were substantially greater than in 1946 profit was only slightly greater, proportionately, than in the previous 10-month period, after allowance made for shorter period, the annual report states.

The downward trend in gross profit margins was continued in both wholesale and retail divisions of the company, it is said. During the year, the channels of trade developed by the operating companies during the war and postwar years were seriously interfered with by the imposition of restrictions on imports from the United States, necessitating a complete revision of purchasing plans for supply of goods necessary to supplement Canadian merchandise, still in short supply in many staple lines. British goods were obtained in sufficient quantities to ensure adequate supply. Due to slowness in delivery of British-made goods, there has been a tendency toward slightly increased stocks and longer term commitments, President W. B. Woods states. Prospects of the company again appear favorable, even though at the moment there is evident some resistance to present high prices. The company is endeavoring to counteract this by careful selection of merchandise at prices that will come within the average consumer budget.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	▲1946
Net earnings	$1,592,390	$1,541,094
Less: Deprec.	78,777	55,959
Subs. divds.	1,517	1,518
Income taxes	691,000	811,000
Net profit	†821,096	672,617
Less: Cl. A divds.	100,800	50,400
Cl. B divds.	277,200	50,400
Surplus for year	443,096	571,817

▲10 mos. period.
†Before $200,000 invent. res. provision.

Earnings per Share and Dividend Record:

Class A	$4.07	†$3.34
Paid	0.50	0.25
Class B	3.57	†2.92
Paid	0.50+0.87½	0.25

†Based on 10 mos. earnings; cl. B after deducting 10 mos. cl. A divds. Cl. B earned $3.00 after cl. A divds. actually paid.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$470,556	$626,229
Mkt. secs.†	395,551	1,098,829
Accts. rec.	1,370,237	1,118,125
Inventories	2,726,626	2,166,719
Total curr. assets	4,963,973	5,009,902
Prep. exp., etc.‡	32,820	23,845
Misc. assets▲	630,947	634,472
Fixed assets*	1,536,619	1,546,235
Total assets	7,163,358	7,214,454
Total curr. liab.	1,565,964	1,848,676
Mortgage pay.	64,160	109,040
Pension fund	230,000	320,000
Conting. res.	100,000	100,000
Minority int.	24,800	24,800
Capital stock	360,000	360,000
Paid-in surp.	837,720	837,720
Surp. re subs.	1,841,379	1,841,379
Earned surplus▲	2,089,935	1,776,839
†Mkt. value	593,000	1,219,000
*After depr. of	1,156,270	1,150,623
▲Incl. ref. EPT	523,497	523,497
‡Incl. in curr. assets in co's. report.		
Working capital	3,397,008	3,161,226

ESMOND MILLS LTD. 1947 net profit was off narrowly at $93,682 ($101,886). While sales in dollar volume were higher than for previous year, continued shortages of materials and lack of labor prevented maintenance of production, essential to offset rise in cost of raw materials and the wage increases granted during the year, President R. R. West states.

It has not been possible to derive full benefits from the new Perth plant owing chiefly to nondelivery of machinery on contract.

INCOME ACCOUNT

Years Ended:	Jan. 3 ▲1948	Dec. 28 1946
Operating profit	$173,015	$225,204
Less: Deprec.	13,494	8,091
Income tax	61,602	101,807
Invent. res. adj.	11,303	14,813
Add:		
Asset prof. (net)	8,066	1,393
Net profit	93,682	101,886
Less: Pref. divds.	15,000	11,250
Com. divds.	18,000	126,000
Surplus for year	60,682	*35,364

*Deficit.
▲53 weeks.

Earnings per Share and Dividend Record:

Pref.: Earned	$6.25	$6.79
Paid	1.00	0.75
Common: Earned	2.19	2.41
Paid	0.50	3.50

CONDENSED BALANCE SHEET

As at:	Jan. 3 1948	Dec. 28 1946
Cash & Dom. bonds	$139,861	$332,472
Accts. rec.	149,807	97,281
Inventories	257,713	265,867
Total curr. assets	547,361	695,620
Misc. assets▲	47,699	47,287
Inv. & adv. subs.	453,410	155,207
Fixed assets	355,055	316,542
Total assets	1,403,468	1,414,686
Accts., tax., etc., pay.	129,520	120,987
Divds. pay.	3,750	111,750
Total curr. liabs.	133,270	232,737
Deferred liab.	857	822
Invent. res.	47,109	38,806
Depr. res.	172,478	160,942
Capital stock	658,292	658,292
Capital surplus	3,750	3,750
Earned surplus▲	387,612	322,307
▲Incl. ref. EPT	23,704	23,704
Working capital	414,031	462,883

CANADIAN MALARTIC GOLD MINES development in the porphyry in 1947 indicated occurrence of a number of ore bodies above average mine grade but greater portion of additions to ore reserves is marginal under present conditions, President E. V. Neelands states. Reserves increased 18,000 tons but gross value was 24 cents per ton lower.

Westward extension of Boundary ore body was more fully explored and developed and a substantial tonnage of lower grade ore was outlined. Several subsidiary lenses were found adjacent to No. 40 ore body on 500, 625 and 750-ft. levels, but further exploration is necessary to assess their importance.

Six holes were drilled in "L" ore body on 875-ft. level with encouraging results. The best grade section lies about 500 ft. east of No. 1 shaft. Due to erratic grade indicated by exploration holes the occurrence was slashed out and sampled. An average grade of 0.17 oz. per ton over 365 tons per vertical foot was obtained.

INCOME ACCOUNT

As at Dec. 31:	1947	1946
Metal sales	$1,252,905	$1,297,087
Less: Mktg. chgs.	11,406	13,733
Net return	1,241,499	1,283,354
Less: Oper. exps.	1,069,706	1,060,195
Oper. profit	171,793	223,159
Add: Other rev.	9,978	16,151
Total income	181,771	239,310
Less: Tax prov.	1,500	28,000
Deprec.	47,352	41,507
Net profit	132,919	169,803
Less: Divds.	146,054	146,054
Surplus for year	*13,135	23,749

*Deficit.

Earnings per Share and Dividend Record:

Common	$0.0364	$0.0465
Paid	0.04	0.04

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & bullion	$296,094	$369,218
Govt. bds.	350,000	350,000
Accts. rec.	17,155	10,227
Probisher shs.	168,118	33,165
Other listed secs.‡		123,078
Mat. & supplies	163,814	146,033
Total curr. assets	995,181	1,031,721
Prep. in. & taxes▲	30,099	23,523
Sundry shares	40,563	44,313
Townsite	......	5,270
Recreation Club	1,843	3,043
Mng. props.	14,151	14,151
Bldgs. & equip.*	172,943	156,922
Total assets	1,254,780	1,278,943
Accts. & tax. pay.	39,797	55,487
Other curr. liab.	30,980	26,318
Total curr. liab.	70,777	81,805
Capital stock	1,201,446	1,201,446
Less: Deficit▲	17,443	4,308
*After depr. of	1,044,757	1,000,608
‡Market value	178,075	99,380
▲Incl. ref. EPT	3,095	3,095
Working capital	924,404	949,916

OPERATING STATISTICS

	1947	1946
Tons milled	335,317	317,026
Average recov.	$3.74	$4.09
Ore reserves, tons	1,667,500	1,648,500
Grade ($35 gold)	$4.20	$4.48

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Fire Fatalities Rise Property Losses Down

Ontario Fire Marshal Reports Fewer Fires and Lower Total and Insured Losses in First Quarter – 23 Large Fires Over $62,000

Fire losses in Ontario in the first quarter of 1948 showed decreases in number and property value from the same period last year, the preliminary figures issued by Provincial Fire Marshal reveal.

The number of deaths resulting from fire, however, was up more than 30% to 51 compared with 39 in 1947. Of the 51 total, 27 were children.

The decline in the number and property values of fires this year was surprising to many people, due to the large proportion reported in the news, emphasis being added by the larger number of deaths.

Losses for the first quarter this year and in 1947 compare as follows:

ONTARIO FIRE LOSSES
January to March

	No. of fires	Total loss	Insurance loss
1948	3,291	$5,603,871	$4,528,473
1947	5,189	6,465,503	5,465,919
Decrease	1,898	861,533	931,446

There were 23 large fires with losses over $62,000 during the quarter:—an oil company property, Toronto, $375,385; a metalcrafts plant, Hamilton, $161,725; an iron works plant, St. Thomas $147,163; an auditorium, Kitchener, $145,961; a seed storage plant, Hamilton, $139,160; a basket manufacturing plant, Grimsby, $118,525; a corn dryer, Blenheim, $106,447; an iron works plant, Toronto, $100,009; a church, Smiths Falls, $100,000; a hospital, Grimsby, $97,489; a ladies-wear establishment, Ottawa, $95,945; storage warehouse, Hamilton, $88,185; shoe store, Elmira, $86,482; school, Orangeville, $82,196; jewelry store, Windsor, $81,872; office building, Belleville, $77,104; billiard table factory, Toronto, $76,610; china store and apts., Ottawa, $75,000; marketeria, Toronto, $73,825; confectioners, Hamilton, $73,042; shades mfg. plant, Peterborough, $72,662; shoe store, Niagara Falls, $65,385; tobacco wholesalers, Ottawa $62,050.

Fatalities for the first quarter were heavy at 51 persons including 10 men, 14 women and 27 children. In the first quarter of 1947, fatalities were 39, 12 men, 12 women and 15 children.

There were eight court actions for fire crimes during the quarter, including six convictions with two cases still pending. The convictions were for arson, four; neglect causing fire, one, other fire crimes, one. The two cases pending were for arson.

Classification of property destroyed and of causes follows:

CLASSIFICATION OF PROPERTY
January, February and March, 1948

	No. of fires	Total loss	Insurance loss
Dwellings:			
Brick, etc., protected	1,137	$251,768	$216,822
Frame, etc., protected	1,167	402,226	331,217
Brick & frame dwellings, unprotected	100	153,400	117,367
Farm risks	219	456,343	315,703
Churches	14	206,242	146,852
Hospitals, sanitaria & asylums	6	99,195	77,023
Schools	20	243,008	137,789
Institutional buildings	12	61,430	42,146
Warehouses	27	314,625	302,702
Retail stores & office bldgs. (bldgs. only)	168	433,886	352,660
Hotels (buildings only)	22	14,796	14,796
Retail stores (contents only)	64	471,155	416,971
Hotels (contents only)	28	11,288	9,335
Food & food product plants, breweries, distilleries, bakeries, etc.	23	141,790	121,142
Flour, cereal mills & grain elevators	3	17,410	17,410
Service stations & oil risks (not garages)	30	396,590	389,763
Saw & shingle mills	3	16,397	13,397
Lumber yards, pulpwood, in mills or elsewhere	4	128,844	69,799
Woodworks (excluding sawmills)	13	207,030	187,080
Metal works, garages, foundries	74	759,738	545,909
Mining risks	3	3,201	2,714
Railway, traction properties, public utilities	8	5,224	5,224
Miscellaneous manufacturing	26	133,725	188,562
Miscellaneous nonmanufacturing	75	333,712	246,150
Sprinklered risks	55	305,149	297,818
	3,291	$5,566,452	$4,490,611

CLASSIFICATION OF CAUSES

	No. of fires	Total loss	Insurance loss
Chimneys & flues	151	$350,862	$295,840
Stoves & furnaces	510	625,947	471,447
Hot ashes, coals & open fires	152	50,131	43,139
Sparks on roofs—wooden shingles	87	28,463	27,399
Exposure fires	10	3,111	3,111
Smoking	922	285,189	247,336
Matches	169	96,008	91,258
Lights (other than electric)	151	113,762	99,224
Electricity	386	883,739	744,866
Lightning—unrodded bldgs.	2	31	31
Spontaneous combustion	45	79,173	62,633
Petroleum and its products	145	292,829	243,879
Incendiarism	16	366,077	238,336
Miscellaneous	95	72,595	56,817
Unknown	450	2,369,915	1,876,365
	3,291	$5,566,452	$4,490,611

NEW NORZONE MINES balance of option outstanding to Torny Financial Corp., under Dec. 15 agreement, on 250,000 shares at 20 cents, 300,000 shares at 25 cents and 300,000 shares at 30 cents, has been amended as follows: 200,000 shares underwritten at 15 cents, payable $15,000 forthwith and $15,000 by May 20. Balance of option on 650,000 shares will become exercisable at the rate of 50,000 shares by June 20 and 50,000 shares each month thereafter until entire option is exercised. Upon issue of first 100,000 shares underwritten issued capital will be 1,950,002 shares.

INSURANCE – A VITAL FORCE IN CANADIAN ENTERPRISE

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Extending over one third of the total land area of Canada — our vast forests constitute the greatest reserves in the British Empire. The total stand of merchantable timber is estimated in billions of cubic feet. In one year alone — 1944 — Canada's forests yielded products with a value of $301,570,823.

From the forests of spruce, Douglas fir, hemlock, cedar, pine, birch, maple, elm . . . come the logs, bolts (for shingles), pulpwood, ties, timbers, posts, wood for distillation and many others to provide the raw materials for innumerable mills and occupations . . . for processed products to use at home and abroad . . . giving employment and business to many thousands of Canadians.

Loss from fire . . . accident . . . and other hazards in mill and forest would tend to cripple the development of our forest resources were it not for the protection and indemnification afforded by insurance. In our forest industries, as elsewhere, insurance shoulders risks . . . provides indemnity from financial loss . . . lends its stabilizing influence to enterprise in its forward march — an influence which strengthens the confidence and courage of men who build for the future.

The Union Insurance Society of Canton keeps pace with progressive Canadian enterprise. This firmly-established "Tariff" company will continue to play its vital role in keeping with sound insurance standards and practice.

UNION INSURANCE SOCIETY OF CANTON LIMITED

Head Office For Canada: Metropolitan Bldg., Toronto • Colin E. Sword, Manager for Canada
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1792 1948

MAKE SURE YOU HAVE THE RIGHT KIND OF LIABILITY INSURANCE

REMEMBER, you may be financially liable to others if you cause them bodily injury or damage their property. Does your present Liability Insurance policy cover against these risks and against others for which you may be directly or even indirectly responsible?

Your Liability Insurance policy should insure you against every possibility of liability which the Dominion and Provincial laws *permit insurance companies to include in one all-embracing Liability Policy*. A "North America" Companies' Liability Insurance Policy may be had to cover all risks.

Play safe. Let your Agent or Broker go over your Liability Policy and make sure you are properly protected.

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INDEMNITY INSURANCE COMPANY OF NORTH AMERICA
THE ALLIANCE INSURANCE COMPANY OF PHILADELPHIA
PHILADELPHIA FIRE AND MARINE INSURANCE COMPANY

WHO IS THE WORKER?

He who serves is truly the worker.

For over forty years we have been serving our clients looking after their insurance needs.

The confidence of our clients is our dearest possession.

May we work for you?

"Representing the one who pays the premium"

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what's the unusual feature of the Family Income Plan?

The Family Income Plan is a life insurance policy specially designed for the man with a family.

A small additional cost to the ordinary life premium provides a $10 or $15 monthly income for each $1000 of protection. In the event of death before a specified age selected by the applicant, this income is paid regularly to his family to the end of the specified period at which time his family receives the full face value of the policy in addition.

This plan is particularly valuable before the time children become self-supporting.

Ask your Mutual Life representative to explain the Family Income Plan more fully. Let him study your needs and advise you as to whether this plan is suitable in your particular case. He is trained in adapting Mutual Life of Canada low-cost life insurance to fit the individual circumstances of people of all ages and all incomes.

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GREAT NORTHERN

GREAT NORTHERN RAILWAY — GREAT for service

Purchase of Bonds Direct By Banks Not Favored By Anti-inflation Policy

How is the latest move to check inflation by curbing new capital investments in Canada working out?

Some weeks ago, it is understood, government financial authorities concluded that any further substantial financing of new capital investments through the direct use of bank credit was not desirable at present. Purchase of private bond issues by the banks or the lending of money for intermediate or long terms were to be discouraged.

With many materials and labor in short supply, any increased demand tends to be inflationary and it was felt that when new construction and equipment are financed in either of the ways indicated, the inflationary effect is all the greater.

The chartered banks were thus asked to reverse a policy that had been favored in official circles since the bank act was revised in 1944.

At that time, bank loans were relatively low while investments were high and it was believed in official circles that the banks could lend on relatively long terms without any important loss of liquidity. But since the war ended, the demand for loans of this type increased to such an extent that the banks themselves had been thinking it was time to start restricting them. The volume of these loans had reached a proportion which left a relatively small proportion of the business for the Industrial Development Bank.

Any firm now wanting loans of this kind or to sell a bond issue direct to the bank, must show especially good reasons for the proposed expansion of plant or operations.

One banker explained the general situation this way: "There is no desire on the part of the Government to curb new production. But neither the banks nor the Government want to encourage inflationary competition for the types of goods and materials used in construction, etc., nor for labor."

How this will affect various industries which had been planning to finance by selling an issue of bonds privately to a bank or by getting a long-term loan depends on the particular circumstances.

Such firms can still finance by an ordinary current loan from their bank. But if they do it this way, they will have to pay the current rate for such loan, probably around 4½% against 3% or 3½% at which they might get the loan on a small bond issue. They can of course also finance by marketing their bond issue through the investment dealers.

Thus the types of financing frowned on by the authorities include intermediate or long-term loans and the issue of a bond issue from the borrowing company to the bank direct. Those that are still considered less inflationary and therefore better favored are financing through ordinary current borrowing from the bank on a line of credit or by selling a bond issue to the public through the open investment market.

Some say the curtailment of selling bond issues direct to the banks will not have any widespread effect, because, while the banks do buy private bond issues direct, from the company or through an investment dealer, they usually don't take the whole of any such bond issue nor do they like too much of this sort of investment. It is supremely important to a bank that its investments be liquid and bonds of this type of company aren't always liquid.

Reason the sale of bonds direct to the banks is discouraged, it is said, is that when the bank buys bonds directly it creates both an asset and a deposit in the hands of the bank. The deposit is a liability of the bank's but an asset to the borrower. This increases the over-all supply of money. But if the bonds are sold direct to the public they absorb the savings of the investors, decreasing the amount of money available for spending on consumer goods and thus are noninflationary.

There are two main lines of approach to the inflation problem. One is to slow down the present pace of industrial expansion, because it is felt to be making too great demands on the supply of materials and labor. The other is to prevent any great increase in the supply of money over that caused by actual production.

In actual practice, however, it is felt in some quarters, the inflationary effect is not so much less under one system than under the other. However, one method is undoubtedly less convenient and more costly than the other and to that extent discourages new financing.

In individual cases some hardship may occur. For example, take a firm which some months ago went ahead with plant developments hoping to finance through the banks by a small bond issue. Under the new policy, the firm may have difficulty selling a bond issue to the banks or making a long-term loan. But there is no bar on its selling a bond issue on the open market or getting a current loan in the ordinary way from the bank.

Some bankers say they are quite in sympathy with any policy which will discourage competition for scarce goods at present, but that they wish to encourage production. For this reason they state that where a business firm shows that it is in a position to increase production of necessary goods, with a minimum of expenditure on new facilities, it should be given the loan if other conditions are right.

Meanwhile in other private quarters there are complaints that the new restriction on bank lending is tending to curtail production and thereby encourage inflation. It is argued that the actual result of the new policy must be watched carefully lest it have less satisfactory results than originally expected.

BANK OF CANADA

	Apr. 21 1948 $	Apr. 14 1948 $
Capital paid-up	5,000,000	5,000,000
Rest fund	10,050,367	10,050,367
Notes in circ.	1,180,770,775	1,180,602,712
Deposits: Dom.	69,207,341	76,640,984
Chart. banks	576,838,957	524,826,503
Other	69,560,378	84,294,783
Total deposits	715,606,676	685,762,270
Liabs. payable in sterling, U.S.A. and for'n. gold currencies:		
Deposits	183,591	133,591
All other liabs.	11,049,035	10,197,434
Total liabs.	1,922,660,444	1,891,746,374
Assets		
Sterling & for'n. exchange	183,591	133,591
Other currencies	150,896	154,434
Total	334,487	288,025
Subsid. coin	202,992	215,728
Investments:		
Dom. govt. sh.	1,073,425,167	1,035,901,269
Oth. Dom. gov.	799,121,087	799,194,231
Total invest.	1,872,546,254	1,835,095,500
Ind. dev. bank		
Total share cap. at cost	25,000,000	25,000,000
Premises	2,409,586	2,409,319
All other assets	22,167,125	28,737,802
Total assets	1,922,660,444	1,891,746,374

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

J. H. ASHDOWN HARDWARE CO. 1947 net profit was up 17.7%. All branches showed very satisfactory results, President Harry C. Ashdown states. Dollar value of sales was highest in company history. Effect of the 1946 steel strike and other strikes is still being felt, and it will be some time before supply entirely catches up with demand.

It was thought wise to defer the building program which was contemplated at beginning of 1947; but the company may proceed with part of this in the current year, it is said. Directors have thought it best, on account of heavy possible expenditure on new construction, and partly because of increased costs of a merchandise inventory adequate for the very large volume of business, to continue a conservative policy with regard to dividends.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$2,156,493	$2,200,474
Less: Deprec.	54,667	56,123
Inc. taxes	987,373	1,221,165
Add: Invest. prof.	3,252	26,276
Net profit	1,117,705	949,462
Less: Dividends	204,300	204,300
Surplus for year	913,405	745,162
Earnings per Share and Dividend Record:		
Class A: Earned	$8.21	$6.97
Paid	0.60	0.60
Class B: Earned	5.07	4.25
Paid	0.60	0.60

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$4,215	$69,262
Accts., etc., rec.	2,211,818	1,742,832
Inventories	5,619,354	5,053,722
Total curr. assets	7,835,387	6,865,816
Prepaid exp.§	49,787	......
Invests. at cost	94,015	......
Def. charges▲	470,829	589,011
Fixed assets▲	1,909,754	1,892,663
Total assets	10,359,772	9,347,490
Bank loans	814,000	89,000
O/s cheques	188,754	449,488
Accts. & tax. pay.	1,318,369	1,791,231
Other curr. liab.	1,026,541	925,026
Total curr. liab.	3,347,664	3,254,745
Misc. res.	27,739	21,781
Capital stock	3,405,000	3,405,000
Earned surplus‡	3,579,369	2,665,964
▲After depr. of	448,237	414,514
▲Incl. ref. EPT	421,804	458,400
‡Incl. ref. EPT	458,400	458,400
Working capital	4,487,723	3,611,071

SASKATCHEWAN LOAN & INVESTMENT CO. 1947 net profit was $16,288 ($10,946). Mortgage principal outstanding as at Dec. 31, 1947, was $147,861 ($130,711 a year before). Liquid assets were $144,896 ($133,907).

	1947	1946
Liab. to public, etc.*	$9,242	$9,922
Shareholders' equity	469,482	428,657
*Secured by:		
Mortgages	147,860	130,711
Real est. & farm lands	185,413	173,345
Office equip.	555	616
Liquid assets†	144,896	133,907
Total	478,724	438,579
†Includes Dominion bonds.		
Earned per share	$2.31	$1.56
Paid	‡	1.50
‡Not stated.		

FIDELITY TRUST CO. 1947 operations resulted in a net loss of $34,865 (net profit of $7,683 for 1946). Mortgages and sales agreements were $171,411 ($123,046 for 1946). Liquid assets were $185,634 ($102,036).

	1947	1946
Liab. to public, etc.*	$27,060	$12,248
Shareholders' equity	330,022	364,887
*Secured by:		
Mtge. & sales agree.	171,411	123,046
Realty for sale	......	152,003
Office premises	37	50
Liquid assets†	185,634	102,036
Total	357,082	377,135
†Includes bonds and stocks.		
Earned per share	d$2.25	$0.50

No dividend payments.

Note—Loss on properties sold in 1947 amounted to $42,117, equal to $2.72 per sh.

Staff Changes

The Bank of Montreal announces the following staff changes:

W. H. G. LAMBERT, accountant-in-charge, Market branch, New Westminster, to be manager at that branch.

F. G. McLEAN, assistant manager, Saint John, N.B., to be manager, Chatham, N.B.

F. M. STEVENS, manager, Haymarket Square, Saint John, to be assistant manager, Saint John.

R. G. BOYNE, accountant, Saint John, to be manager, Haymarket Square, Saint John.

G. CUMMING, assistant manager, Victoria, to be manager, Granville & Davie Sts., Vancouver.

J. E. P. HENNIKER, superintendent's department, Vancouver, to be assistant manager, Victoria.

E. C. WINROW, of head office, to be manager, cost analysis department, head office.

R. H. MAGWOOD, manager, Woodstock, Ont., to be manager, Leamington, Ont.

• • •

The Canadian Bank of Commerce announces the following staff changes:

J. A. STUTT, formerly accountant, Timmins, Ont., to be manager, Schumacher, Ont.

R. T. BARNARD, formerly accountant, Mount Pleasant, Vancouver, B.C., to be manager newly opened branch, Steveston, B.C.

J. L. SEABORN, formerly accountant, Toronto, to be manager, Weston, Ont.

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MURRAY BAY, P.Q.

THE dancing, romancing—the swimming, riding, golfing—the fascinating people you meet . . . these are the highlights you'll always remember about your Manoir Richelieu holiday.

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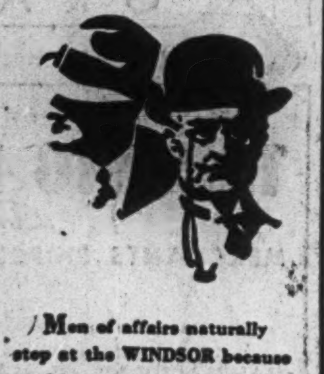
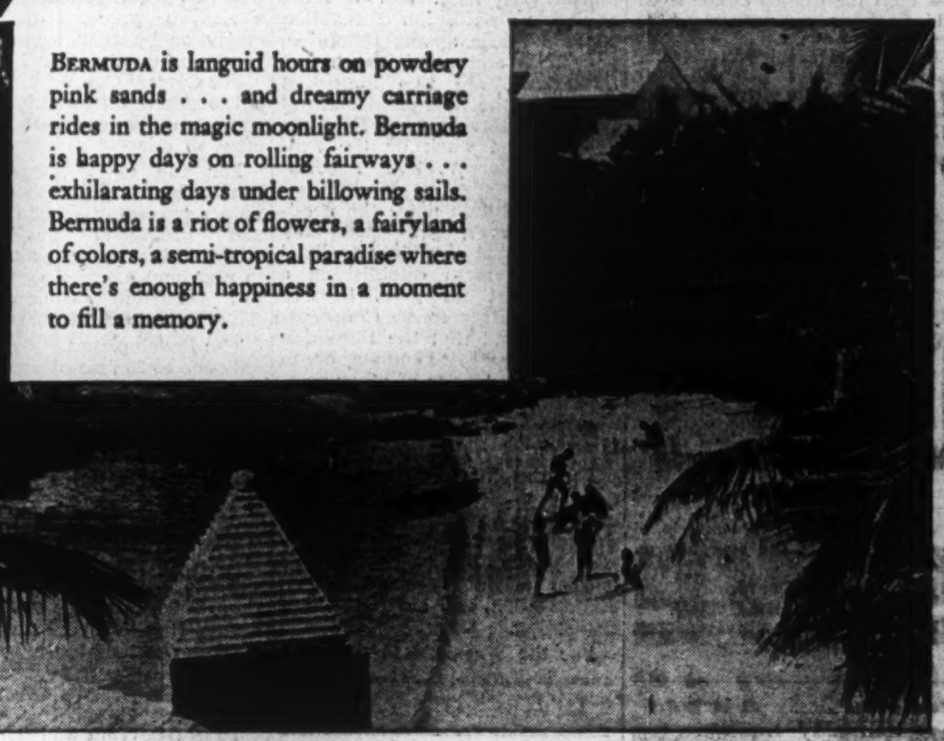


Men of affairs naturally stop at the WINDSOR because of its reputation for dignified comfort, unobtrusive, courteous service and its convenient location—and because the WINDSOR is recognized as the proper place for business and social meetings.

THE Windsor
ON DOMINION SQUARE
J. ALDERIC RAYMOND, PRESIDENT

You'll never Forget!



BERMUDA is languid hours on powdery pink sands . . . and dreamy carriage rides in the magic moonlight. Bermuda is happy days on rolling fairways . . . exhilarating days under billowing sails. Bermuda is a riot of flowers, a fairyland of colors, a semi-tropical paradise where there's enough happiness in a moment to fill a memory.

A Bermuda Cove

YOU CAN COME to Bermuda swiftly by plane . . . or leisurely by boat. There is an ample choice of fine hotel and guest house accommodations, but advance reservations will assure you what you want. In planning your trip to Bermuda, your Travel Agent will give you experienced help and complete service—at no cost to you.

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B-173

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President

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Manager of Sales

D. M. COOLICAN
Secretary

If you did the ironing . . .

2 to 1; the iron you'd use would be the world's best!

And undoubtedly — to make lighter work for the person who does your ironing — you've provided her with an iron that is the easiest to operate, the most efficient . . . the best!

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Popularity! More and more girls *who type* prefer Royals. *Your typists* will do more work, better work on machines they prefer to use.

Royal efficiency! There are work-saving, time-saving features on a Royal not found on any other typewriter! Meaning — higher production per machine!

Royal durability! These typewriters are *really* sturdy. Royals stand up ; ; ; spend more time on the job, less time out for repairs. With Royals, you get the maximum return for your typewriter investment.

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NOW — At Prices Below Pre-War Levels
NOW — Your Order Filled Promptly

Need Aluminum? We are another source of supply — ready to serve you with DOMINION ALUMINUM. In the last two years we have made 25,000,000 pounds of DOMINION ALUMINUM in Sheets, Strip and Circles to the most exacting specifications.

Your order for DOMINION ALUMINUM will be filled promptly — we can meet your requirements now. And remember — while other metal prices are substantially above pre-war levels . . . aluminum is down!

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A Product of
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Rollers of aluminum sheet, strip and foil — also lead, tin, zinc and composition foil rollers.

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DIVIDEND NOTICES

The Royal Bank of Canada

DIVIDEND No. 243

NOTICE is hereby given that a dividend of twenty-five cents per share upon the paid-up capital stock of this Bank has been declared for the current quarter and will be payable at the Bank and its branches on and after Tuesday, the first day of June next, to shareholders of record at the close of business on the 30th day of April, 1948.

By order of the Board.
JAMES MUIR
General Manager.

Montreal, Que., April 13, 1948.

Taylor, Pearson & Carson (Canada) Limited

DIVIDEND NOTICE

Notice is hereby given that the eighth quarterly dividend at the rate of five per cent (5%) per annum in respect of all preferred shares of the company issued and outstanding will be paid to all holders of the preferred shares of record in the books of the company as of May 15, 1948.

The dividend will be payable at the head office of the company on June 1, 1948.

By Order of the Board.
J. G. FULLERTON,
Secretary-Treasurer.

Edmonton, Alberta,
April 7, 1948.

The John Bertram & Sons Company Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of Twenty-five cents (25c) per share has been declared on the outstanding Class "A" stock of this Company, payable May 15th, to shareholders of record April 30th, 1948.

J. W. McNAB,
Secretary.

Dundas, Ontario.
April 14th, 1948.

The John Bertram & Sons Company Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of Five cents (5c) per share has been declared on the outstanding Class "B" stock of this Company, payable May 15th, to shareholders of record April 30th, 1948.

J. W. McNAB,
Secretary.

Dundas, Ontario.
April 14th, 1948.

ANGLO-CANADIAN TELEPHONE COMPANY

Class A Dividend

NOTICE is hereby given that a dividend of One and One-Half percent (1½%) has been declared on the Class A Stock of the Company, payable June 1, 1948, to Stockholders of record at the close of business on May 10, 1948.

By Order of the Board,
CAMERON HOUGH,
Secretary.

Montreal, March 4, 1948.

Canada Safeway Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of \$1.12½ per share on the outstanding 4½% cumulative redeemable preferred shares of the Company has been declared payable June 1st, 1948, to holders of such preferred shares of record at the close of business on May 15th, 1948.

By Order of the Board.
J. A. MacAULAY,
Secretary.

April 15, 1948.

The Montreal Cottons Limited

NOTICE IS HEREBY GIVEN THAT A DIVIDEND of 12c per share has been declared upon the Common Shares without nominal or par value, of the Company, and cheques will be mailed on the fifteenth day of June next, to shareholders of record at the close of business on the 13th day of May, 1948.

By Order of the Board,
CHAS. GURNHAM,
Secretary-Treasurer.

Valleyfield, 21st April, 1948.

The Montreal Cottons Limited

NOTICE IS HEREBY GIVEN THAT A QUARTERLY DIVIDEND of 44c per share, being at the rate of seven per cent (7%) per annum, has been declared upon the \$25.00 par value seven per cent (7%) cumulative redeemable preferred shares of the Company, and cheques will be mailed on the fifteenth day of June next to shareholders of record at the close of business on the 13th day of May, 1948.

By Order of the Board,
CHAS. GURNHAM,
Secretary-Treasurer.

Valleyfield, 21st April, 1948.

Catelli Food Products, Limited

Preferred Dividend Notice No. 25

Notice is hereby given that a dividend of Thirty Eight Cents (38c) per share, being at the rate of 5% per annum, has been declared on the \$15.00 par value Preferred Stock of the Company for the period extending from December 1st, 1947, to May 31st, 1948, payable May 31st, 1948, to shareholders of record on May 3rd, 1948.

By Order of the Board.
ROMEO DESJARDINS,
Secretary-Treasurer.

Catelli Food Products, Limited

Common Dividend Notice No. 19

Notice is hereby given that a dividend of Fifty Cents (50c) per share has been declared on the no par value Common Stock of the Company for the period extending from December 1st, 1947, to May 31st, 1948, payable May 31st, 1948, to shareholders of record on May 3rd, 1948.

By Order of the Board.
ROMEO DESJARDINS,
Secretary-Treasurer.

P.C.'s Ask Free Market For Gold, 'Practical' Tariff and Ban on Reds

OTTAWA — Setting a free market for gold, and a more equitable distribution of taxation on gold mines among Dominion, provincial and municipal taxing authorities, are two important clauses of the nine-point Natural Resources Development Program adopted last week by the Progressive Conservative Association of Canada.

The resolution notes the possibility, however, that Canada may be prevented by international obligations from establishing a free market for gold. In this event, the Progressive Conservatives demand that the Dominion buy gold at a price comparable to the increased price of other commodities.

Other points in the Program include:

For the Maritimes, a permanent program of marshland reclamation; promotion of the production and sale of coal; development of the fishing industry, with special attention to marketing; reforestation, and aid for lumber marketing.

For the West, aid to coal production and to fishing; stimulation of oil and gas development; a vigorous program of land reclamation by water conservation, power production and irrigation.

For Central Canada, besides the aid to gold mining and lumbering, a program to accelerate development of mineral resources.

For the whole Dominion, a National Development Council with representatives of Dominion and provincial governments, labor, industry, agriculture, etc., to plan and execute programs of full production and employment.

Safeguard "Thunder"

The Development Program was only one of 26 resolutions approved at the three-day annual meeting of the Association. The resolutions were not made public, officially, because they have been handed over to a policy committee, to be welded into a general statement of party principles.

There was some difference of view as to the wisdom of issuing any declarations of policy at this time. Some members of the party argued that to reveal their intentions now would merely give the Liberals, in power, an opportunity to steal Progressive Conservative thunder.

Partly by way of compromise, partly to ensure optimum timing, it was agreed that the resolutions should be kept unpublished until they had been curry-combed by a special policy committee, which is instructed to finish its work not later than August 1, the eve of the Liberal convention.

Generally, the resolutions follow the tone of the Winnipeg Platform, which in turn was based very largely on the declaration of principles drafted at Port Hope in September, 1942. There are some changes of emphasis, but party workers insist that these result either from developing circumstances, or from mere coincidence. There was not, they assert, any sharp division of opinion between "Progressives" and "Conservatives," even though one or two items in the resolutions appeared to suggest such a split.

"Practical" Tariff

One of these was the resolution on trade, which plumped first for maintenance of Canada's tariff structure at a practical level to ensure reasonable rates of pay for Canadian workers, and reasonable returns for Canadian industry. This sounds like a retreat from the "freedom of trade" note struck at Port Hope and repeated at Winnipeg.

However, points two and three of the same resolution denounce "existing abnormal barriers" to international trade as opposed to the best interests of Canada; and declare the party's support for practical programs to modify special restrictions such as quotas, exchange restrictions, and embargoes.

The only resolution which appears to have called forth vigorous and spirited debate was on Communism. It recommends intensification of investigation of persons and organizations suspected of Communist activities; co-operation with organized labor's efforts to rid itself of Communist infiltration or domination; expulsion of Communists from the government service.

Younger delegates backed by some of their seniors also fought hard against this resolution. John Diefenbaker of Saskatchewan made an eloquent speech in defence of full political liberty and against the "witch-hunting" to which the resolution seemed to point.

An equally eloquent spokesman in favor of the resolution, however, was A. L. Smith of Calgary, who has often backed Diefenbaker on civil liberties issues in Parliament. Ivan Sabourin, K.C., Quebec provincial leader, also spoke strongly in favor of outlawing Communism, and the meeting adopted this view.

Ask Stronger Defense

Other resolutions of interest:

One condemning the Liberal Government for dissipating the armed services; it recommended a co-ordinating Defense Committee, increase of active and reserve forces, plan for converting industry to a war footing, and closest co-operation with both American and British War Offices for standardization of equipment and methods.

One calling for a bold and extensive immigration program, undertaken in co-operation with the provinces.

A long resolution on farm policy, calling, among other things, for removal of the embargo against the export by private vendors of Canadian livestock and other farm products.

A labor resolution which reiterates the Port Hope-Winnipeg plank in favor of compulsory collective bargaining, the right to strike, etc. It has, however, two new clauses: one for the outlawing of sympathetic strikes; one in favor of the voluntary, revocable check-off.

A taxation resolution with nine points, including one for stimulation of small enterprises by a graduated scale of exemption from corporation income tax when profits are reinvested in the development of the business.

A "Four-in-One Social Security Program." The four points are retirement pensions at 65 without means test; accident and sickness benefits; health insurance, and extended unemployment insurance benefits. The program would be administered by the provinces — a new touch.

A long and detailed endorsement of the principle of subsidized housing, which it was charged, the Liberal Government has refused to provide. The resolution admits that the cost to the state of an adequate housing program would be substantial, but argues that it would be offset by greater freedom from crime, divorce, juvenile delinquency and other social evils.

DIVIDEND NOTICES

The Corrugated Paper Box Company, Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of \$1.25 per share on the Preferred Stock of the Company and a quarterly dividend (No. 6) of twenty-five cents (\$.25) per share on the Common Stock of the Company have been declared payable June 1st, 1948, to shareholders of record at the close of business on May 14th, 1948.

Dated this 26th day of April, 1948.

E. R. BLUETHNER,
Secretary.

NORANDA MINES LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that an interim dividend of Seventy-five Cents (75c) per share, payable in Canadian funds, has been declared by the Directors of NORANDA MINES, LIMITED, payable June 15th to shareholders of record at the close of business May 14th, 1948.

By Order of the Board.
J. R. BRADFIELD,
Secretary.

Toronto, April 23rd, 1948.

Sylvanite Gold Mines, Limited

(No Personal Liability)

TO SHAREHOLDERS AND HOLDERS OF SHARE WARRANTS:

NOTICE OF DIVIDEND NO. 71

TAKE NOTICE that a quarterly Dividend of 1½% (i.e. one and one-half cents per share) on the outstanding Capital Stock of the Company, payable in Canadian funds, has been declared as Dividend No. 71.

Such Dividend will be payable July 2nd, 1948, to Shareholders of record at the close of business April 30th, 1948.

In the case of Share warrants such Dividend will be payable on or after July 2nd, 1948, in respect of the shares specified therein upon presentation and delivery of Coupon No. 71 at:

The Canadian Bank of Commerce, Toronto, or any Branch of said Bank in Canada (far Northern Branches excepted), or Liberty Bank of Buffalo, Buffalo, N.Y.

BY ORDER OF THE BOARD,
W. S. WALTON,
Secretary.

April 30th, 1948.

DIVIDEND NOTICE

Canada Malting Co., Limited

NOTICE is hereby given that a dividend of Fifty Cents (50c) per share has been declared on the no par value stock of the Company, payable June 15, 1948, to Shareholders of record at the close of business on the 15th day of May, 1948.

Share Warrant Holders will present Coupon Serial No. 32 to The Royal Bank of Canada, MONTREAL, TORONTO, WINNIPEG, and CALGARY, on and after June 15, 1948.

By Order of the Board.
GEORGE J. WILLIAMS,
Secretary.

Dated at Toronto April 23, 1948.

CONIAURUM MINES LIMITED

DIVIDEND NO. 32

NOTICE IS HEREBY GIVEN that a dividend of Two Cents (2c) per share has been declared by the Directors of Coniaurum Mines Limited, payable in Canadian funds, on June 1st, 1948, to Shareholders of record May 5th, 1948.

By Order of the Board.
A. G. FULTON,
Secretary.

April 22nd, 1948.

Sicks'

SICKS' BREWERIES LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a Common Dividend (No. 36) of 25 cents per share on the No Par Value Common shares of the Company, issued and outstanding, has been declared payable on the thirtieth day of June, 1948, to Shareholders of record at the close of business on the thirty-first day of May, 1948.

By Order of the Board.
I. N. WILSON,
Comptroller.

CALGARY, Alberta,
April 20th, 1948.

DIVIDEND NOTICES

Belding-Corticelli Limited

Notice of Preferred Stock Dividend No. 184

A dividend of one and three-quarters per cent (1¾%) has been declared on the Preferred Stock of this Company, for quarter ending 31st May, 1948.

Notice of Common Stock Dividend No. 89

A dividend of one and a half per cent (1½%) has been declared on the Common Stock of this Company, for quarter ending 31st May, 1948.

The above dividends are payable on the 2nd day of July, 1948, to Shareholders of record at the close of business the 31st day of May, 1948.

By Order of the Board,
D. F. POLLOCK,
Secretary

Canadian Car & Foundry Company, Limited

Notice is hereby given that dividend No. 9 of twenty-five cents (25c) per share on the Class "A" stock, and dividend No. 33 of twenty cents (20c) per share on the Ordinary stock of the company, have been declared for the three months ending May 22, 1948, payable on May 22, 1948, to shareholders of record April 29, 1948.

By Order of the Board.
D. H. FORSYTH,
Secretary.

Montreal, Canada,
April 26, 1948.

COMPANY REPORTS

OKALTA OILS experienced an increase of over \$54,000 in operating income in 1947, due chiefly to a higher price for crude. Net profit was \$31,932 or 1.9 cents a share against a loss of \$513 the previous year.

Several parcels of freehold land were secured in the Leduc area. While Okalta Leduc No. 1 LSD 13, Sec. 7-50-25w4, proved a dry hole, Okalta Leduc No. 2 completed drilling April 11 in location LSD 10, Sec. 33-49-26w4 with a "big producer" assured. Both D2 and D3 zones were found productive in this area. A total of 880 acres is also held in the Eyot area and 960 acres in the Woodbend area. An active drilling program is anticipated this summer, it is stated.

REVENUE ACCOUNT

Years Ended Dec. 31:	1947	1946
Gross oper. inc.ᴬ	\$514,948	\$460,760
Add: Other inc.	11,150	12,948
Less: Oper. exp.‡	195,714	183,685
Net earnings	330,384	290,023
Less: Depreciation	43,992	42,893
Roy. depl'n.	19,460	16,174
Amort. of dev.	220,000	172,419
Unpro. expl. exp.	......	59,050
Income tax	15,000	......
Net pref. & surp.	31,932	a513

aNet loss and deficit.
ᴬFrom production, gross royalties, rental of equipment, etc.
‡Including executive's salaries, directors' fees, legal fees, etc.

Earned per share	\$0.019	nil
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & mkt. secs.	\$632,740	\$658,229
Accts., etc., rec.	67,989	68,974
Mater. & supplies	49,679	39,300
Total curr. assets	750,408	766,503
Investments	5,041	10,321
Wells exp., less res.	718,526	938,176
Leases	461,351	427,426
Leases aband.	83,336	83,235
Plant & equip.†	361,779	258,343
Rev. acct. deficit	178,959	160,818
Total assets	2,459,400	2,644,822
Total curr. liabs.	6,849	12,294
Advs. rep. fr. prod.	865,523	1,061,858
Res. re lease val.	874,000	874,000
Depl. res.	336,010	306,550
Conting. res.	3,299	2,504
Capital stock	135,000	135,000
Capital surplus	248,719	252,616
†After depr. of	438,648	383,442
Working capital	743,559	754,209

ACME GAS & OIL had a profit of \$6,702 in 1947 (\$6,801 in 1946). No further development took place on the properties of Borradaile Oil, in which the company is interested, during 1947. An increase in price of oil was not sufficient to warrant further drilling on Borradaile Vermilion or Lloydminster properties.

Securities of \$165,796 market value at the end of 1947 included 69,450 shares of Springer Sturgeon, 3,075 Teck-Hughes, 2,100 Upper Canada, 1,000 Madsen, 300 Orange Crush and 638,917 shares of Oil Selections.

A total of 2,100,232 shares were outstanding.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Gross income	\$17,980	\$14,269
Add: Sale of inv.	2,652	1,544
Sale of lease	......	4,392
Less: Oper. exps.	13,314	12,704
Taxes res.	616	700
Net profit & surp.	6,702	6,801
Earned per Share	\$0.003	\$0.003
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	\$2,725	\$9,055
Accts. etc. rec.	1,903	1,087
Invests. (cost)*	173,979	161,542
Total curr. assets	178,607	171,684
Adv. to Borradaile	77,128	80,728
Inv. in Borradaile	73,681	73,681
Other inv.	407	407
Royalty rts.	108,774	105,270
Leases	1,997	1,997
Total assets	440,594	433,767
Accts. etc. pay.	930	780
Taxes pay.	1,075	1,100
Total curr. liab.	2,005	1,880
Capital stock	481,350	481,350
Deficit	42,761	49,463
*Mkt. value	165,796	121,361
Working capital	176,602	169,804

CENTRAL SUDBURY LEAD-ZINC MINES has acquired a 10% interest in 47 claims contiguous to the 18 claims already owned. Company plans mining between 10 and 25 tons of high-grade lead ore per day from the open pit. Diamond drilling will not be undertaken until the fall.

R. G. BECK

has been appointed a vice-president of Canadian Industries Ltd.

Fewer Combines Will Go to U.S.

From Our Own Correspondent

REGINA—Migration of Saskatchewan combines and crews into wheat-cropping areas of the United States will be sharply curtailed this year, due to poor crop prospects in many states. Gross earnings of combines and crews in 1947 were \$3,319,000, against \$1,285,000 in 1946.

About 650 outfits and 1,950 workers crossed into the United States last year under the international agricultural agreement for the exchanges of combines and farm labor, first entered into in 1943.

Because of the large number of applicants who want to go to the United States this year, and in view of the probable decreased need for Canadian combines, the Dominion-provincial Farm Labor Committee is limiting permits to one per applicant. Each permit covers one combine and a crew up to four.

FECB Report Indicates U.S. Dollar Controls Stay

Any hopes of early lifting of the governmental restrictions affecting the use of U. S. dollars would seem to be dispelled by the annual report for 1947 of the Foreign Exchange Control Board.

Canada's official reserves of gold and U. S. dollars totalled \$501.7 millions at the end of 1947 — \$743.2 millions lower than a year before.

"Having regard to the great importance of international transactions to the Canadian economy, and in view of the levels of current prices and the disturbing uncertainties of current international affairs, there can be no doubt that these reserves are unsatisfactorily low," Chairman G. F. Towers states.

"It is therefore important that they should be replenished as rapidly as possible," Mr. Towers continued. "The \$300 million credit arranged with the Export-Import Bank of Washington provides a useful immediate supplement to our exchange reserves, but it must be recalled that drawings on this credit are repayable within a period of five years." (Canada has drawn \$80 millions of this credit to date.)

ERP "Off-shore" Buying

Reserves would be strengthened by any arrangement whereby Canada would receive payment in convertible exchange for a larger proportion of exports. In this connection plans for "off-shore purchases" under the European Recovery Program "will almost certainly afford an opportunity for Canada to earn more convertible exchange from shipments to Europe."

But even very large "off-shore purchases" would not by itself solve Canada's immediate foreign exchange problem, Mr. Towers states. "The reason for this is that even if all of our exports were to yield convertible exchange our reserves could not increase by more than our over-all current account surplus. To the extent that we must make net payments on capital account to the United States dollar area the increase would be less. In 1947 our over-all current account surplus was small and had remedial action not been taken we could not count on any surplus at all in 1948 . . . it is not realistic to envisage that there will be a complete halt to the extension of credit to Europe . . . but if our lending is not to involve further drafts on our gold and United States dollar reserves it must be covered by a current account surplus of equal size. And if we are at the same time to extend credits and to replenish our liquid reserves we must have a current account surplus larger than our loans. This is the core of our present foreign exchange problem."

The Unofficial Dollar Market

The fact that throughout 1947 the Canadian dollar was quoted at a discount on unofficial market in the United States was commented on by Mr. Towers who said that the discount from the official quotation indicated "that no net inflow of capital took place . . . There was no decline in the rate at which new capital was invested directly in Canadian industry by U. S. investors, but whereas in the earlier period they were net purchasers of securities, in the later period they became net sellers."

Mr. Towers reiterated the comments of his 1946 report that Canadian dollars bought in the unofficial market may be used in Canada for limited purposes only — the most important being to acquire investments in Canada. Fresh supplies result from authorized liquidation by nonresidents of capital assets in Canada. Thus the unofficial quotation reflects, in part, the willingness of U. S. dollar area residents to hold Canadian investments.

"If as a group they wish to increase their investment in Canada the price of Canadian dollars in the market will be driven up until it reaches the official market price, at which point the demand for additional Canadian investment can be satisfied either through nonresident purchases of Canadian dollars in the official market or, what amounts to the same thing, through nonresidents foregoing conversion of such convertible Canadian dollars as may accrue to them. In the face of a strong demand for Canadian dollars on the part of United States dollar area residents the unofficial market is therefore, in effect, forced into the official market and an inflow of United States dollars into official reserves results. It is only when demand in the unofficial market is strong enough to force the price of the Canadian dollar up to the official price that operations in the market can produce an inflow of United States dollars," Mr. Towers stated.

Results of Prosperity

The decline in Canada's current surplus from \$357 million in 1946 to \$47 million in 1947 Mr. Towers attributed mainly to Canadian prosperity. The demand for imported goods and services was increased by the great expansion in Canada of industrial plant, equipment, housing and inventories and by the high levels of Canadian incomes supplemented by wartime accumulations of savings. Since exports did not rise proportionately, Canada's current surplus virtually disappeared. The fact that Canada did not experience an over-all current deficit in 1947 as it had in previous periods of investment boom was seen as evidence of the increased and more diversified productive capacity of the country.

Canada's current surplus with the United Kingdom and the rest of the sterling area rose from \$664 million in 1946, to \$872 millions in 1947, while our deficit with United States increased from \$613 millions to \$1,138 millions. With the rest of the world our surpluses, after deducting contributions of official relief of \$92 millions in 1946 and \$38 millions in 1947, were \$306 millions and \$313 millions respectively.

The report discussed the serious financing problem resulting from Canada's large export surplus with the United Kingdom and other overseas countries. In part these countries paid Canada with convertible exchange, \$638 millions having been received from all countries other than the United States, of which \$505 millions was from the United Kingdom. In part, however, the export surplus was financed by Canadian government loans of \$423 millions to the United Kingdom and \$140 millions to other countries, mainly western European. In the case of both the sterling area and the other countries these Canadian credits financed about half of their Canadian dollar deficits. All Canada's imports during the year were paid for in cash and, since over-all imports and exports were almost in balance, sales on credit resulted in an equivalent drain on Canada's exchange reserves.

Further inroads on Canada's exchange reserves resulted from the repatriation from the United States of Canadian securities payable in U. S. funds and other similar transactions and from the payment of \$74 millions, the remainder of our gold subscription to the International Monetary Fund.

RUPUNUNI GOLD MINING CO. (CANADA) advises that balance of option outstanding to Roger Gilbert, New York, for 550,000 shares at prices ranging from 15 to 33 cents, has been assigned to Barima Gold Mining Co. (Canada). Barima has agreed to exercise the May 24 and June 24 option installment, comprising a total of 166,667 shares at 15 cents a share by May 7.

Grain Prices

Winnipeg Grain Futures

Week to Apr. 26, 1948

Crop year from Aug. 1, 1947 High	Low		High for week	Low for week	Close Apr. 26
		Oats			
.95½	.72	May	.95⅝	.87⅝	.89⅞
.95½	.68½	July	.83⅝	.81	.83⅛
.83⅞	.66⅜	Oct.	.77⅛	.75⅜	.77
		Barley			
1.35⅝	1.06	May	1.19½	1.16⅛	1.17⅞
1.14⅛	1.01¾	July	1.13⅞	1.11	1.12⅜
1.25¾	.98½	Oct.	1.03⅜	.76	1.03⅜
		Rye			
4.50	3.60	May	4.29	4.20¼	4.29
3.93½	3.01	July	3.74½	3.54⅝	3.60
3.05¼	1.68	Oct.	2.10½	1.94	1.97

Cash Quotations

	For Week Apr. 26 High	Low	Prev. Week High	Low
Oats				
2 C. W.	.93	.91⅛	.94⅝	.90⅝
3 C. W.	.91	.89⅝	.92⅝	.85⅝
Barley				
1 Feed	1.16¾	1.14⅛	1.17⅛	1.15
2 Feed	1.13⅞	1.11⅜	1.13⅞	1.10⅜
Rye				
2 C. W.	4.50¼	4.26	4.29⅝	4.21¼

JAMES RICHARDSON & SONS LIMITED
Grain Merchants Shippers and Exporters
HEAD OFFICE WINNIPEG MANITOBA
OFFICES THROUGHOUT CANADA

THE CANADIAN CONSOLIDATED GRAIN COMPANY LIMITED
Operators of Country Elevators in Manitoba and Saskatchewan and Terminal Elevators at Fort William and Port Arthur
Grain Commission Merchants — Shippers and Handlers of All Grains
Head Office: WINNIPEG, CANADA

GRAINS
TORONTO ELEVATORS Limited
MERCHANTS SHIPPERS AND EXPORTERS
MANUFACTURERS OF MASTER FEEDS, LINSEED AND SOY OILS AND MEALS.

DUN & BRADSTREET of CANADA, Limited
The Mercantile Agency
ESTABLISHED 1841
20 Offices in the Dominion

CKNW THE Only STATION THAT COVERS BOTH HALVES OF THE "VANCOUVER AREA"

N. M. PATERSON & COMPANY LTD.
Own and Operate
Terminal Elevators in Fort William
109 Country Elevators
Total Storage Capacity 12,000,000 bus.
31 Vessels on the Great Lakes
Total Carrying Capacity 4,500,000 bus. per trip
Head Office: FORT WILLIAM, ONT.
609 Grain Exchange, Winnipeg

FEDERAL GRAIN LIMITED
OPERATING TERMINAL ELEVATORS - FORT WILLIAM - PORT ARTHUR - VANCOUVER
436 COUNTRY ELEVATORS THROUGHOUT THE WEST
113 COAL SHEDS
Our Service and Facilities Guarantee Satisfaction

PARRISH & HEIMBECKER LIMITED
Incorporated 1909
Grain Receivers
Shippers and Exporters
HEAD OFFICE: WINNIPEG
BRANCH OFFICES:
MONTREAL TORONTO PORT ARTHUR
CALGARY VANCOUVER
"An old-established firm with a reputation for doing business RIGHT."

Canada's Most Versatile Tanners
FINE sheep and goat leathers . . fancy and embossed leathers, Shearlings, dyed lamb and Mouton Fur.
DONNELL & MUDGE Limited
NEW TORONTO
DISTRIBUTOR - FRED'K WHITLEY & CO. MONTREAL

"When You Know What You Want To Do—

. . . you will find that business papers give you the results you want," says a large Canadian advertiser.

This advertiser planned a Merchandising Newspapers campaign specifically to:

- Help his salesmen sell more efficiently.
- Popularize his new line
- Convince dealers of value of using display material.

After a 12-page campaign he tallied his results. Here they are:

√ Display cards showing in 10,000 stores
√ Over 90% distribution throughout his field
√ Sales increased by 50 to 1 — 5000%!

"The overall picture is nothing less than startling," he concluded.

(name on request)

Your advertising becomes more effective when you know what you want it to do. There are 51 ways that Maclean-Hunter Merchandising Newspapers can help you sell your product or firm. Like a check list? Drop a line to the Merchandising Newspaper serving your field.

TO SELL MORE TELL YOUR DEALERS MORE!

PICK THE MACLEAN-HUNTER MERCHANDISING NEWSPAPER in your field—it's the leader!

MACLEAN-HUNTER Publishing Company Limited, Toronto—Montreal (Merchandising Newspapers Division)

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

GENERAL PRODUCTS MFG. 1947 net profit was up slightly at $257,904 ($251,671). Sales reached a new peak. Due to higher prices for all lines except hosiery, the dollar amount of sales increased somewhat more than the physical volume.

Incoming orders continue at a high level, and indicate a profitable volume of business for the current year, a condition confirmed by further sales increases during the first quarter of 1948. Further extensions have been made to plant facilities. During the year the real estate and plant of Holman Machines Ltd., Woodstock, Ont., was acquired in order to provide additional space for Standard Tube Co. One of the Standard Tube departments is now operating in the new location, thus releasing much-needed space at the main plant. A boatbuilding and repair plant on the Sarnia waterfront was purchased during the year. The plant was acquired primarily to provide additional space for expansion and as yet, no definite plans have been made for its utilization. The company is continuing to operate the boat repair business, under the name of Blue Water Boat Works.

Selling prices in some lines have not increased sufficiently to offset higher costs, and consequently, profit margin has been reduced, the report states. Thus far it has been possible to maintain earnings at a reasonable level because of the higher sales volume, but there are many indications pointing to a possible decline in sales.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$407,904	$401,671
Less: Taxes	150,000	150,000
Net profit	257,904	251,671
Less: Pref. divds.	20,280	20,280
Com. divds.	50,000	......
Surplus for year	187,624	231,391
Earnings per Share and Dividend Record:		
Pref.: Earned	$63.50	$62.05
Paid	5.00	5.00
A & B	2.38	2.31
Paid	0.50	....

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$248,486	$491,937
Life ins. c.s.v.	7,388	6,592
Accts. rec.	293,541	190,974
Inventories	281,124	161,007
Total curr. assets	797,239	850,510
Prep. exp., etc.‡	40,738	17,886
Investments	560,971	414,970
Fixed assets	1,146,253	1,040,737
Total assets	2,585,485	2,324,112
Total curr. liab.	249,614	219,111
Mortgage pay.	......	10,000
Depreciation res.	744,414	711,505
Cont. & bd. debt res.	159,152	158,214
Capital stock	430,600	430,600
Surplus	982,305	794,683
‡Incl. in curr. assets in co's. report.		
Working capital	548,515	631,399

BOWES CO. 1947 net profit was up slightly from 1946 at $180,077 ($178,103). On Nov. 18, 1947, the company negotiated a purchase agreement to buy all the outstanding shares of Watt & Scott (Montreal) Ltd., which operates a similar type of business. This agreement will be completed by Apr. 30, 1948.

The building at 181 Carlaw Ave., Toronto, will be ready for occupancy by June 1, 1948. It is expected to have both the factory and the warehouse operating from these premises before the end of the year, at which time efficiency of the over-all business will be greatly increased, the annual report states.

York Trading Ltd., the subsidiary, showed a satisfactory net profit for the year, and the company's part in such profit was approximately $58,000. Owing to large capital expenditures, directors felt it would be unwise to increase the dividend rate at this time, it is stated.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings*a*	$483,147	$501,631
Less: Deprec.	14,658	29,038
Invent. res.	47,000	25,000
Income tax	245,000	277,000
Add: Bond sale	3,588	7,500
Net profit	180,077	178,103
Less: Cl. A divd.	24,338	......
Cl. B divd.	19,471	......
Pref. divd.	......	4,022
Common divd.	......	38,941
Surplus for year	136,268	135,140
*a*Not incl. earnings of York Trading Ltd.		
Earnings per Share and Dividend Record:		
Class A	$4.62	$4.57
Paid	40.62½	....
Class B	4.12	4.07
Paid	0.50	....
Pref. (old): Paid	....	7.00+3.50*
Com. (old): Paid	....	7.00
*On redemption.		
‡Incl. 12½c payable Feb. 15, 1948.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$120,962	$48,085
Accts. rec.	559,087	681,500
Inventories	823,116	1,310,746
Total curr. assets	1,503,165	2,040,341
Misc. assets‡	160,106	166,996
Invest. in sub.	546,201	203,068
Fixed assets*	251,532	203,439
Total assets	2,461,004	2,613,844
Bank loan	344,611	782,839
Demand loan	122,000	50,000
Accts., tax., etc., pay.	872,229	805,109
Total curr. liabs.	1,338,839	1,637,948
Capital stock	556,300	556,300
Earned surplus	565,865	429,596
*After depr. of	204,208	196,433
‡Incl. ref. EPT	132,500	162,000
‡Incl. ref. EPT	163,000	162,000
Working capital	164,326	412,393

CANADIAN GENERAL SECURITIES 1947 net profit was off 38.2%. Revenue comprising fees, investment income and profit on sale of investments was down $19,235; expenses were up $3,102 at $44,038. Balance sheet shows a bank loan of $11,000 at end of 1947.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net income	$87,358	$106,783
Less: Expenses	44,038	40,936
Income tax	1,300	......
Net profit	42,020	65,857
Less: Divds.	39,615	26,410
Surplus for year	2,405	39,447
Earnings per Share and Dividend Record:		
Cl. A & B: Earn.	$1.59	$2.49
Paid	1.50	1.00
Cl. C: Earned	nil	nil
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$1,357	$1,300
Accts. rec.	2,843	3,326
Prep. taxes	4,310	4,000
Subsid. & mkt. inv.	395,229	362,525
Other invests.	32,068	32,068
Total assets	435,807	403,119
Bank loan	11,000	......
Accts. pay.	2,106	1,971
Divds. pay.	39,446	20,297
Total curr. liab.	52,552	22,268
Capital stock	34,361	34,361
Capital surplus	118,075	118,075
Earned surplus	230,879	228,475

YORK TRADING LTD. 1947 net profit was up 20.1%. Working capital position was up $185,273 at $459,353.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net profit	$101,035	$84,183
Less dividends:		
Perpet. inc. debs.	8,632	10,352
Pref. shs.	......	†1,213
Common shs.	7,930	7,930
Surplus for year	84,473	64,488
†Redeemed Nov. 28, 1946.		
Earned per com. sh.	$2.50	$2.74
Paid	0.30	0.30

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$3,400	$3,300
Accts., etc., rec.	392,960	318,113
Inventories	1,481,008	1,176,427
Total curr. assets	1,781,343	1,490,889
Prep. exp.‡	13,350	5,151
Ref. EPT	9,500	10,686
Fixed assets*	377,751	265,366
Total assets	2,052,942	1,721,844
Bank advances	636,491	586,184
Accts., tax., etc., pay.	697,818	639,575
Total curr. liabs.	1,333,909	1,225,759
Due to subsid.	31,370	......
Funded debt	473,025	346,063
Capital stock	26,700	26,700
Earned surplus	241,788	152,032
*After depr. of	181,423	256,878
‡Incl. ref. EPT	9,500	10,686
‡Incl. in curr. assets in co's. report.		
Working capital	459,353	274,080

THE SAFE ENCLOSURE FOR ALL MESSAGES

BARBER-ELLIS ENVELOPES

A SIZE AND STYLE . . . . FOR EVERY PURPOSE

BARBER-ELLIS

MONARCH KNITTING CO. announces an additional 18 4½% preference shares have been purchased for cancellation, reducing number of preference shares outstanding to 4,946.

May Dividends $9.3 Millions

Dividends payable in May (as declared to Apr. 23) amount to $9,331,465 as against $10,985,597 for the same month last year. Indicated payments for the first five months of the current year are $145,236,730—up 22% from the corresponding period of 1947.

May payments of $7,008,306 by 88 industrial issues were off $162,600 from the amount paid by 79 isues last May. Payments by five mining companies was off $1,081,484 at $649,603 reflecting continued difficult operating conditions for the mining industry. Payment by 11 financial institutions was practically the same as that for the same number of companies last May at $1,547,756 ($1,545,352). One oil company paid $80,800 as against $493,252 paid out by three companies last year.

Following is a list of payments for May, 1948, as compiled by The Financial Post from records now available.

Monthly Dividends

	1948	1947
January	$63,238,358	$33,874,733
February	12,885,875	10,806,365
March	44,619,969	41,742,192
April	35,161,063	21,376,155
May	9,331,465	10,985,597
Total	145,236,730	118,786,042

Industrials and Utilities

	Rate $	Date	Amount $
Anglo-Can. Tel., pf.	.56¼q	1	89,500
Ault & Wiborg, pf.	1.37½q	1	6,182
Atlas Steels	.25q	1	209,606
Bates & Innis	.50e	1	15,000
Do. A	.50s	1	7,625
Bertram & Sons, A	.25q	15	12,000
Do. B	.05	15	12,000
Blue Ribbon, pfd.	.62½q	1	18,656
Bowes Co., A	.12½q	15	4,867
Do. B	.50	15	19,470
Brewers & Dist.	.60a+.30▲	20	519,972
B. C. Pulp, 7% pf.	1.75q	1	2,732
Stanley Brock, A	.15q	1	4,702
Do. B	.10q	1	6,270
Caldwell Linen	.20	1	8,000
Do. pfd.	.37q	1	5,550
Do. 2nd pref.	.20q	1	3,000
Can. Bronze	.38q	1	40,000
Do. pref.	1.25q	1	9,375
Can. Utilities, 5% pf.	1.25q	15	187,500
Can. Vickers, 7% pf.	1.75q	1	35,000
Capital Estates	†.30	15	69,230
Catelli Food	.50	31	22,951
Do. pfd.	.38s	31	14,582
Chateo Steel	e.25	1	15,000
Coast Breweries	.06	1	168,188
Cochrane-Dun., A	.20q	15	8,337
Do. pfd.	.20q	15	8,400
Consumers Glass	.50q	31	152,785
Cosmos Imp.	.35q	15	35,000
Crown Cork	.50q	15	30,000
Dishers Steel, A	1.50	1	17,340
Dom. Bridge	.30q	21	184,185
Dom. Fabrics	.20q	1	14,000
Do. pref.	.75q	1	6,750
Do. 2nd pref.	.37½q	1	7,500
Dom. Malting	.25q	1	13,760
Do. 5% pfd.	1.25q	1	8,125
Dom. Steel, B	*.25‡	20	252,771
Dominion Tar	.25q	1	110,500
Dom. Woollens	.20q	1	28,457
Donnacona P. 4½% pf.	1.12½q	14	28,125
Dryden Paper	.25	1	27,500
Esmond Mills 5% pfd.	.25q	1	3,750
Federal Grain 6½% pf.	2.00	15	60,000
Freiman, A. J.	.12½q	1	10,625
Do. 4½% pf.	1.12½q	1	10,125
Gen. Steel Wares	.20q	15	34,176
Do. pref.	1.25q	1	62,500
Gen. Steel Wares	.20q	15	34,176
Do. pref.	1.25q	1	62,500
Imp. Tob. 4% pfd.	.25q	1	100,000
McCabe Grain, A	.15q	1	6,737
Do. B	.10	1	7,486
Mercury Mills	.25q	1	23,635
Maple Leaf Mill.	.50	15	125,650
Mid. & Pac. Grain	.25q	1	25,000
Neon Prod. of W. C. pf.	1.50s	1	5,400
Northwest. Util. 4% pf.	1.00q	1	30,600
Ont. Steel Prod.	.25q	15	12,110
Do. pref.	1.75q	15	6,304
Penmans	.75q	15	48,388
Do. pref.	1.50q	1	16,125
Purity Flour M. pf.	.62½q	1	53,325
Price Bros.	4.00	1	2,191,416
Quebec	.25q	25	138,299
Quinte Milk, A	.15q	1	5,775
Reitman's 5% pfd.	.25q	1	5,313
Robinson Cotton	.10q	1	15,000
Rolland Paper	.15q	15	9,000
St. Lawr. Flour	.40q	1	14,400
Do. pref.	1.75q	1	9,692
Scarfe & Co., A	.20q	1	7,600
Do. B	.10	1	1,600
Shawinigan W. & Pr.	.30q	25	661,188
Sherriff's, A	.06q	1	7,290
Do. 5% pfd.	.25q	1	3,750
Sher.-Williams, ord.	.20q	1	40,000
Sidney Roof., A	.22½q	1	11,250
Slater, N.	.30q	1	1,250
Stand. Fuel, 4½% pf.	.56¼q	1	11,250
Steel of Canada	.75q	1	345,000
Do. pref.	.75q	1	194,889
South. Can. Pwr., c.	.30q	15	120,000
Southam	.25q	15	187,500
Waterous, A	.20q	15	7,590
Wood, A. & J. p.	1.75q+1.75‡	1	32,750
Zeller's	.37½	1	46,875
Do. 5% pref.	.31¼q	1	13,000
Do. 6% pref.	.37½q	1	15,000
Total			7,008,306

Mining Companies

	Rate $	Date	Amount $
Inter. Nickel	†1⅞%q	1	483,486
Kirk. Lake GoGld	.02s	1	106,532
Laitch Gold	.02q	15	57,000
Perron G. M.	.01	10	20,000
Proprietary Mines	.03	7	37,585
Total			694,603

Oil Companies

	Rate $	Date	Amount $
Candn. Oil, c.	.20q	15	18,800
Total			80,800

Financial

	Rate $	Date	Amount $
Bk. of Nova Scotia	.20q	1	360,000
Can. Bk. Commerce	.20q	1	600,000
Can. Inv. Fd., sp. & ord.	.05q	1	126,675
Can. Investors	.10q+.05▲	1	15,000
Comm'wlth Intnl.	.04q	15	5,983
Corp. Invest., A & B	.10	15	1,904
Dominion Bank	.25q	1	175,000
Imperial Bank	.25q	1	175,000
Prudential Trust	.50a	1	8,762
United Corp., A	.37q	15	19,484
Do. B	.25q	31	50,948
Total			1,547,756
Grand total			9,331,465

q—Quarterly. s—Semiannually. a—Annually. †N. Y. funds. *s*Initial. ▲Extra. ‡Special dividend. ‡On arrears. *Subject appr. F.E.C.B.

COMPANY REPORTS

STOVEL PRESS LTD., Winnipeg. 1947 net profit was $43,309 for the period from July 8 (date of incorporation) to Dec. 31, 1947. The company purchased substantially all the undertaking, property and assets as a going concern of Stovel Co.

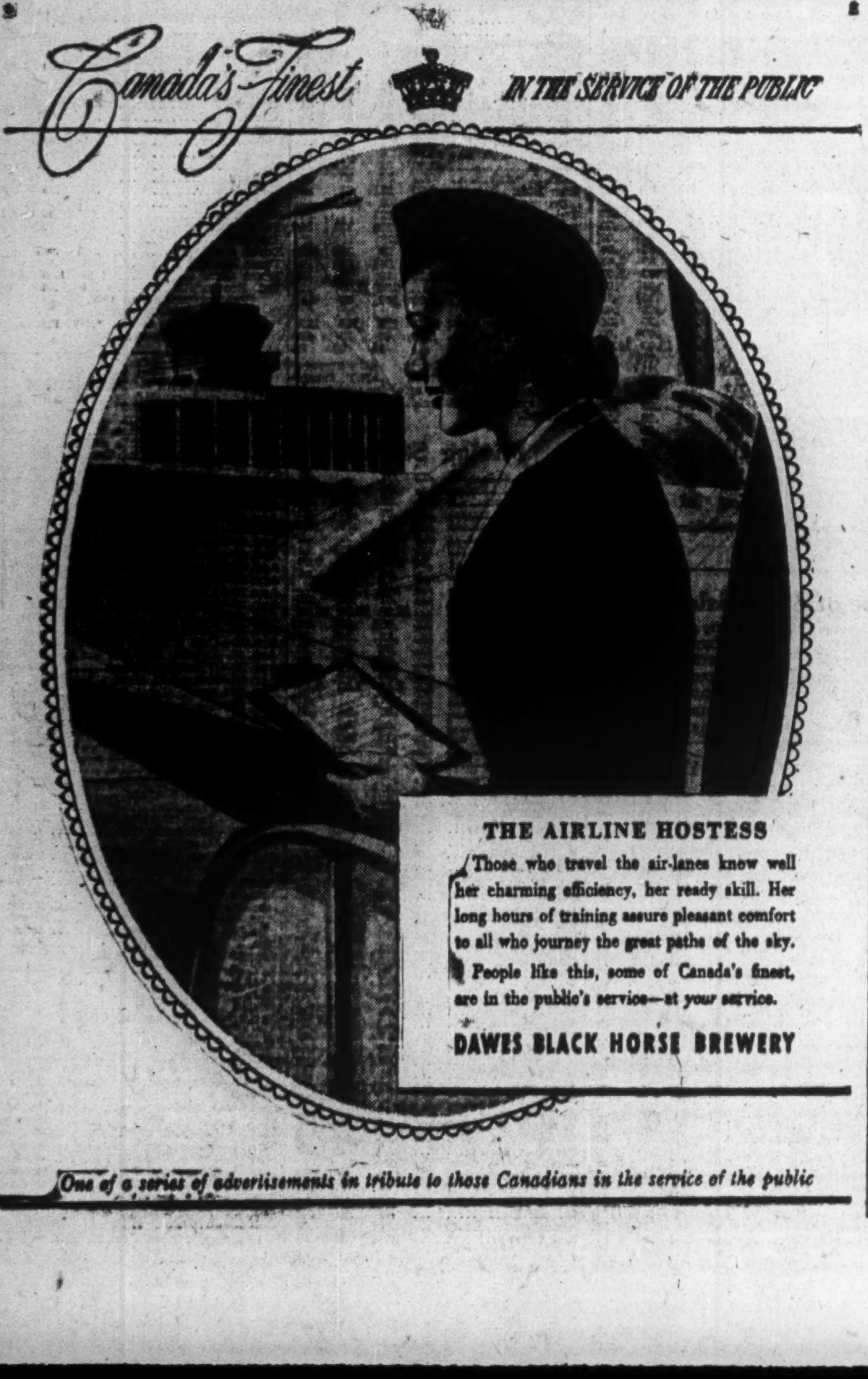
Since the first of the year sales have been maintained at a high level and management looks forward to the future with confidence, President A. Lloyd Stovel states.

INCOME ACCOUNT

Periods Ended:	*a*Dec. 31 1947	Dec. 31 1946
Net earnings	$114,842	$310,564
Less: Deprec.	33,218	25,816
Bond interest	5,615	.....
Taxes	32,600	165,000
Net profit	43,309	119,748
Less: Pref. divd.	6,500	......
Surplus for period	36,809	119,748
*a*Period from July 8 to Dec. 31. Prior period covers Stovel Co. and Home Publ. Co.		
Earnings per Share and Dividend Record:		
Preferred	$0.83	....
Paid	0.12½	....
Common	0.29	....
None paid.		

CONDENSED CONS. BALANCE SHEET

As at:	Dec. 31 1947	July 8 *a*1947
Cash	$100,767	$96,777
Accts. rec.	99,079	103,184
Invest. certif.	5,926	......
Inventories	174,737	161,437
Total curr. assets	380,509	361,398
Prep. exp.‡	3,481	......
Misc. assets	200,823	165,305
Circulation	453,833	433,416
Fixed assets*	1,334,194	1,303,680
Total assets	2,372,840	2,283,799
Total curr. liabs.	80,232	51,099
Prep. mag. subscrip.	435,799	412,700
Funded debt	600,000	600,000
Capital stock	1,220,000	1,220,000
Earned surplus	36,809	......
*After depr. res.	55,162	21,844
‡Incl. in curr. assets in co's. report.		
*a*Pro forma, after giving effect to purchase of Stovel Co. and Home Publishing Co. organization.		
Working capital	300,277	310,299



EXPERIENCE

I.A.C.

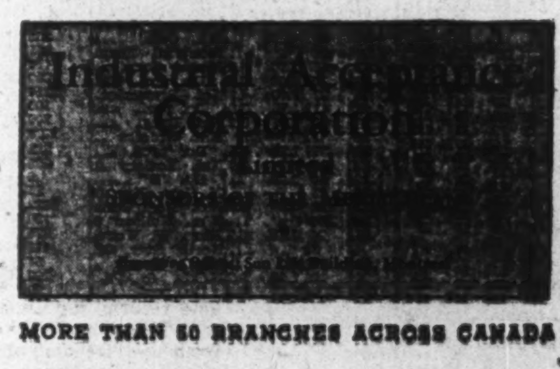
comes with years . . .

Maturity alone can bring the wisdom of experience.

I.A.C. has grown into the largest instalment sales finance corporation in Canada. The experience of years has given us an understanding knowledge of this highly specialized business, which has proved very valuable to our clients.

I.A.C. has financed over a million purchasers of automobiles, trucks, household appliances and all types of industrial machinery and commercial equipment.

Our knowledge and experience have contributed to the welfare of individual Canadians and the industrial growth of our country.



MORE THAN 50 BRANCHES ACROSS CANADA

Can. Wire At Home To Kin of Workers

More and more big manufacturing firms are taking the families of their employees into serious account as avenues of opportunity in public and personnel relations. Most visible sign of this trend is recent sharp increase in the number of companies staging "at home" plant tours for kin of their workers.

Latest in the field is Canada Wire & Cable which on successive Wednesday evenings last month, held open house at its 450,000 sq. ft. plant on 12 acres in Leaside, near Toronto, where a $1.5 million equipment modernization and building improvement program was completed recently. There, about 3,000 visitors had their first look at the wire and cable making which brings them livelihood. CW&C is among Canada's largest producers of electrical conductors and steel wire rope.

THIS WEEK'S QUOTATIONS

Montreal and Toronto Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING APRIL 23

Range 1948 High	Low	Div R'te $	Apr23 Y'ld %		Sales	Last Apr. 16	Week end. Apr.23 H	L	Cl'se
17½	12½	..	...	Abitibi, new ..	20863	14½	16½	14½	16½
20½	17½	1.50	7.5	Do. $1.50 p.n.	6739	20	20½	19½	20
38½	35½	2.50	6.6	Do. $2.50 pf n	25	38	38	38	38
19	16½	1.00	5.9	Acadia Atlan A	470	17	17½	17	17
101	98	5.00	5.0	Do. 5% pref.	150	100	101	100	100
9	7½	.50	6.1	Agnew Surp.	400	8	8½	8	8½
57	33½	..	...	Algoma Steel..	9615	51½	57	51½	56½
25½	24	1.00	4.0	Alum of Can p	2319	25	25	24½	25
54½	43	....	...	Aluminum new	4002	53½	54½	52½	54½
10	6½	♦.50	...	Andian Nat.	50	6½	7	7	7
20	15	♦.60+.40		Anglo Newf'd ..	50	15	15	15	15
7½	5½	.60	8.3	Argus	10850	7	7½	6½	7½

Range 1948 High	Low	Div R'te $	Apr23 Y'ld %		Sales	Last Apr. 16	Week end. Apr.23 H	L	Cl'se
106½	99½	5.00	5.0	Do. pref. ..	65	101½	101	99½	100
109	101	4.00+†3.00		Goodyear Tire	5	108	108	108	108
52½	49	2.00	3.9	Do. pref. ...	255	50	51	50	51
10½	10	.50	5.0	G. MacKay A..	219	10	10½	10	10½
23	22	.50+.12½		Do. "B" ...	10	22	22	22	22
20	19	1.00	5.0	Grafton "A" ..	25	20	20	20	20
19	15½	†.40	...	Gt. Lakes Pap.	4220	18½	19	18½	19
44	40½	2.50	5.8	Do. A pref.,	375	42	43	42½	43
5	4	.20	4.9	Greening Wire	100	4½	4½	4½	4½
16	13	1.00	6.7	Gypsum. Lime	1320	14½	15	14½	15
19½	18	1.00	5.4	Hahn. Brass p.	100	18	18½	18½	18½
15½	13½	.80	5.9	Halifax Fire	25	14½	13½	13½	13½
7½	6	†.25	..	Ham. Bridge ..	805	7½	7½	7½	7½

Range 1948 High	Low	Div R'te $	Apr23 Y'ld %		Sales	Last Apr. 16	Week end. Apr.23 H	L	Cl'se
24	21½	1.00	4.7	Wool Combing	100	21½	21½	21½	21½
8½	6½	.	...	York K. A n.	425	7	7	6½	6½
36	34½	1.50	4.4	Zellers	100	34½	34½	34½	34½
26½	25½	1.25	4.8	Do. 5% pref..	10	26½	26½	26½	26½
28½	27½	1.50	5.4	Do. 6% pref.	105	28½	27½	27½	27½

†Paid or payable in 1948. xOn arrears. ♦Paid in 1947. •Dividend deferred. ‡Extras ▲Paid in 1946. ▲N. Y. funds. §Net after income taxes. ♦♦For each 20 shares held.

Mining Stocks

Week Ended April 23

.49	.25	.....	....	Roxana....	50,900	.30	.44	.29	.36
.15	.09	.....	....	Royal Cn..	91,000	.11½	.11½	.09½	.09½
19.00	16.00	1.00	5.3	Royalite...	1,185	18.50	19.00	18.00	19.00
.10	.05	.....	....	Share Roy..	12,430	.08	.09½	.07½	.08
.19	.10½	.....	....	So. Braseau	7,000	.14½	.14½	.14	.14
.32	.24	.....	....	So. West Pete	950	.32	.30	.28	.30
.20	.15	†.10½	....	Spooner...	100	.16	.15	.15	.15
.10	.08	§.01½	....	Sunset.....	2,000	.08½	.09½	.09	.09
.29	.23	.....	....	Superior...	4,000	.28	.28½	.28	.28
.30	.20	.....	....	Turner V..	1,000	.30	.26	.26	.26
.15½	.09	.....	....	United Oils.	8,400	.09	.11½	.10	.11
.19	.12	.....	....	Vanalta....	5,500	.15½	.16½	.15½	.16½
.35	.20	.....	....	Vulcan.....	5,400	.28	.26	.23	.25
.07	.05	.....	....	Warner....	1,000	.05	.05	.05	.05
.08	.04	.....	....	Wellington.	50	.06½	.06	.06	.06
.10	.03½	.....	....	York Oils..	200	.06½	.06	.06	.06

• N. Y. Funds. s Extra ‡ Paid in 1946. ‡ Capital Repayment. ♦ Dividend deferred. § Paid in 1947. † Paid or payable in 1948.

Oil Stocks

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Apr. 26 ...	190,000	992,000	109,804	133,876	1,750,000
Apr. 24 ...	148,400	687,000	67,505	43,165	1,080,000
Apr. 23 ...	260,100	1,055,000	......	174,097	3,040,000
Apr. 22 ...	203,600	1,037,000	......	99,740	2,920,000
Apr. 21 ...	226,900	844,000	......	90,056	2,050,000
Apr. 20 ...	248,400	965,000	117,419	100,413	2,090,000

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	Apr. 23 Bid	Ask
Mont. Refrig. & S.	.30	20	22½	24
Do. 1st pref. ..	1.50	29	29½	30
Moore Corp. pf. A.	♦7.00	286	288	..
Do. pref. B	♦7.00	429	432	..
Morrison Brass ..	...	3½	3½	4
Mt. Royal Rice	.50+†.08	10	9½	10
Murphy Paint	.80	22½	22	..
Nat. Trust	1.00	26	26	28½

BUSINESS THIS WEEK

	APR.	MAR.	FEB.	JAN.	Year Ago
GOVERNMENT FINANCE (millions of $)					
Dominion total revenue	....	....	....	244.2	[illegible]
Dom. total expend.	....	....	....	149.2	175.[illegible]
MERCHANDISING					
Dept. store sales index no. (1) .	....	....	195.1	192.3	180.3
Retail sales index (no.)	....	....	198.7	211.8	185.1
Wholesale sales index (no.)	....	....	239.5	244.6	231.4
FINANCE					
Dividend payment index (5)	195.1	194.5	193.4	192.9	159.3
Bank debits	....	....	....	246.8	236.2
Money supply (millions $)	....	....	....	7,479	7,345
NEWSPRINT CAPACITY					
Production ratio	....	99.1	99.1	96.6	101.8
Shipment ratio	....	97.3	95.5	92.1	102.1
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.)	....	226.6	186.3	210.1	205.7
Cars (D.B.S.)	....	164.6	159.6	172.3	151.9
COST OF LIVING					
D.B.S.	....	150.8	150.1	148.3	128.9
EMPLOYMENT INDEX					
All industries	....	....	189.2	193.7	180.7
Manufacturing	....	....	200.5	199.9	192.9
Payrolls (June 1/41=100) (2) ...	....	....	185.4	178.2	160.7

	1948	1947	1948 Jan. 1 to date	1947	% Change
RAILWAYS—(000's omitted)					
♦Carloadings (week Apr. 17)	74.7	72.8	1,155.9	1,095.7	+5.5
♦C.N.R. gross rev. (Mar.)	38,631	36,350	106,670	100,276	+6.4
♦C.N.R. net rev. (Mar.)	2,838	4,077	1,545	5,478	—71.8
♦C.P.R. gross rev. (Feb.)	24,286	21,036	49,212	44,394	+10.9
♦C.P.R. net rev. (Feb.)	—334	1,027	—230	—840	—72.6
IRON AND STEEL (000's omitted) (Feb.)					
Pig iron production (tons)	151.1	150.6	311.2	327.9	—5.1
Steel production (tons)	239.6	229.2	496.4	479.0	+3.6
CONSTRUCTION (000's omitted)					
Contracts awarded (Mar.)	51,350	38,353	128,500	136,516	—5.9
Cement prod., bbls. (Jan.)	1,008	853	1,008	853	+18.2
AGRICULTURE (000's omitted)					
Flour prod., bbls. (Feb.)	1,790	2,219	3,688	4,690	—21.4
♦Flour exp., bbls. (Mar.)	1,099	1,356	2,860	3,966	—27.9
♦Wheat exp., bush. (Mar.)	10,112	7,983	28,893	30,282	—4.6
Cattle sales (Mar.) (4)	124.0	89.4	383.9	306.5	+25.2
Hog sales (Feb.) (4)	571.6	344.9	1,626.8	1,050.3	+54.9
SEA FISHERIES (000,000 omitted)					
Catch, lb. (Feb.)	99.4	15.9	209.6	104.4	+107.8
Landed value $ (Feb.)	1,694	535	4,141	2,335	+75.9
NEWSPRINT (000's omitted)					
Production (Mar.)	388	372	1,104	1,084	+1.9
Exports, tons (Mar.)	381	374	1,060	1,038	+2.1
MINING AND OILS (000's omitted)					
♦Coal prod. (tons) (Mar.)	1,629	977	4,166	3,814	+9.5
Gold prod. (fine oz.) (Jan.)	274	234	274	234	+17.0
Petroleum prod. (brl.) (Jan.) ..	776	598	776	598	+29.3
ELECTRICAL POWER OUTPUT (000,000's omitted) (Jan.)					
Total monthly kw.h.	3,499	3,589	7,253	7,440	—2.5
FOREIGN TRADE (millions of $)					
Imports (Feb.)	182.2	177.1	388.2	350.9	+10.6
♦Exports (Mar.)	228.4	209.0	672.0	597.1	+12.5
FINANCE (millions of $)					
Bank debits (Feb.)	5,551	5,507	12,042	11,813	+1.9
Bond sales (Mar.)	880.8	936.1	1,641.8	1,572.4	+4.4
Life insurance sales (Feb.)	101.5	100.2	200.5	201.6	—0.6
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
♦Shoe prod. (Feb.)	2,706	3,300	5,137	6,432	—19.9
♦Cigarette cons. (no.) (Mar.)	1,189	1,214	3,789	3,670	+3.2

(1) Base period 1935-39=100. (2) All industries. ♦New items for week. (4) Total at yards and plants. (5) Nesbitt, Thomson, etc.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 8	Milling 4	Oils 4	Textiles and clothing 9	Food and allied prod. 13	Beverages 8	Bldg. mater. 16	Power and traction 14	Banks 8	Total utilities 16	Total co's. 100
(Base 1935-39=100)												
*1935 to date:												
High	210.2	287.9	149.7	123.7	214.4	138.5	447.0	168.5	146.2	136.3	149.0	128.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1948: Monthly Figures:												
Jan.	189.8	261.9	113.8	70.5	188.4	117.6	312.6	132.6	101.4	132.5	112.9	107.8
Feb.	179.7	242.7	105.5	65.8	185.3	111.8	284.1	122.5	95.2	129.7	110.1	102.2
1948: Weekly Figures:												
Mar. 4 ..	185.4	246.2	104.1	65.4	188.7	110.0	291.1	121.1	98.1	127.7	107.8	101.4
Mar. 11 ..	188.4	249.3	104.6	64.7	188.8	109.9	287.4	122.1	97.6	128.5	107.2	101.3
Mar. 18 ..	184.1	235.4	105.8	64.0	179.6	108.5	277.7	120.3	95.7	128.9	105.5	99.3
Mar. 25 ..	185.8	247.9	105.2	66.8	189.4	109.9	302.5	122.2	102.3	126.0	109.2	103.4
Apr. 1 ..	196.9	251.2	108.6	67.7	188.5	110.1	306.4	124.7	102.1	125.1	112.4	105.5
Apr. 8 ..	205.3	250.3	108.6	69.3	193.0	116.0	304.1	130.6	101.5	128.9	114.2	107.6
Apr. 15 ..	212.3	253.6	108.2	69.9	194.7	115.3	307.5	132.0	103.1	128.3	114.9	108.8
Apr. 22 ..	215.9	264.0	111.7	72.0	201.9	117.8	323.7	135.4	101.9	127.5	119.7	111.8

*High and low for year from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Apr. 26	181.32	57.40	33.87	66.78
Apr. 24	183.20	58.57	34.08	67.58
Apr. 23	183.78	58.47	34.05	67.66
Apr. 22	182.96	57.64	33.89	67.19
Apr. 21	181.37	57.03	33.80	66.63

	30 Indust.	20 Rails	15 Util.	65 Stocks
Apr. 20	180.72	56.21	33.78	66.22
Month ago ..	173.65	52.42	32.79	63.26
Year ago	168.85	44.56	33.80	59.90
1948 High ...	181.78	58.57	33.91	67.66
1948 Low ...	165.39	48.13	31.65	58.89

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Apr. 26	178.00	93.37	97.53	41.53
Apr. 24	178.79	91.23	97.90	41.96
Apr. 23	179.61	90.78	96.58	41.67
Apr. 22	176.92	90.12	95.72	41.95
Apr. 21	176.29	89.85	94.73	41.49
Apr. 20	175.63	90.52	94.67	42.04
Month ago ..	159.52	94.59	83.60	31.77
Year ago	167.41	104.50	85.11	33.92
1948 High ...	179.61	104.68	97.90	42.04
1948 Low ...	149.13	89.85	77.67	28.68

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Comb.	10 Pprs.	15 Golds
Apr. 26 ...	75.2	128.0	110.4	351.83	62.96
Apr. 24 ...	75.5	128.6	110.9	360.55	62.29
Apr. 23 ...	74.7	128.3	110.5	362.86	62.27
Apr. 22 ...	74.7	126.6	109.3	356.36	62.11
Apr. 21 ...	74.5	125.8	108.7	351.66	62.11
Apr. 20 ...	74.0	125.2	108.2	348.42	62.43
Month ago	71.7	115.8	101.1	328.66	65.69
Year ago .	75.4	119.0	104.5	308.01	72.07
1948 High .	75.5	128.6	110.9	371.48	74.92
1948 Low .	70.7	108.0	95.7	290.26	62.11

Stocks Not Traded This Week (Continued)

Scythes & Co. pf..	1.25	25½	25½	..
Sher. Wms. pf. ...	7.00	145	145	..
Silknit	...	10	11	13½
Simon & Sons pf. .	5.00	103	103	105
Slater N. pref.	2.12	48½	..	48½
St. Law. Flour	1.60	30	28	..
Do. pref.	7.00	151	..	155
Stand. Clay.	..	13½	14	..
Stanley Brook A ..	.60	9	9½	10
Stedman Bros.	.60	15	14½	14½
Sterling Coal	...	10	10	12

Red Hawk	...	.02	.01½	.02
Renable	...	2.70	2.45	2.65
Ryanor	...	.07	..	.10
Santiago	...	.14	.13½	.14
Scotia Gold	...	.01	..	..
Silver Ridge	...	.17	.15	..
S. American G. ...	§*.20	1.10	..	..
Standard G.	...	.07	.06	.07
Star Lake	...	.00½	.00½	.01
Sturgeon River ...	...	.18	.15	.18
Sudbury Contact .	...	.04	.03½	.06

OIL STOCKS

Marvel	...	.01½	.01½	.01½
Merland	...	.04	..	..
Model	...	.25	.24	.30
New Valley	...	.03½	..	..
Nordon	...	.15	.15	.16
Petrol Oil	...	.12	.12	.25
Richland	...	.04	..	..
Royal Crest	...	.02½	.02½	..
Three Point	...	.05	.05	..
Texas Can.	...	1.30	1.35	1.50
Vul. Brown	...	.14	.14	.14½

†Paid or payable in 1948. §Paid in 1947. ‡Paid in 1946. ♦Dividend deferred. *N.Y. Funds.

Company Meetings

1948	Company	Place
Apr. 28	Asbestos Corp.	Montreal
Apr. 28	Bankfield Cons. M.	Toronto
Apr. 28	Fortune Y'knife M.	Toronto
Apr. 28	Foundation of Can.	Montreal
Apr. 28	Gatineau Power	Montreal
Apr. 28	Int. Nickel of Can.	Toronto
Apr. 28	Mercury Oils	Calgary
Apr. 28	New North Gold M.	Toronto
Apr. 28	Normetal Mining	Toronto
Apr. 28	Quemont Mining	Toronto
Apr. 28	Renfort Gold	Toronto
Apr. 28	Shea's Breweries	Winnipeg
Apr. 28	Western Grocers	Winnipeg
Apr. 29	Aluminum of Can.	Montreal
Apr. 29	Aluminium Ltd.	Montreal
Apr. 29	Bralorne Mines	Vancouver
Apr. 29	B. A. Oil	Toronto
Apr. 29	Cons. Paper Corp.	Montreal
Apr. 29	Can. F'ndries & Forg.	Brockville
Apr. 29	Candn. Marconi	Montreal
Apr. 29	D'Aragon Mines	Toronto
Apr. 29	Enamel & Heat.	Sackville, N.B.
Apr. 29	Intnl. Metal Indust.	Toronto
Apr. 29	Mining Corp.	Toronto
Apr. 29	Montreal Tramways	Montreal
Apr. 29	Moore Corp.	Toronto
Apr. 29	McDonald Mines	Montreal
Apr. 29	McWatters Gold	Haileybury
Apr. 30	Acme Gas	Toronto
Apr. 30	Ashdown Hardware	Winnipeg
Apr. 30	Auto Electric	Toronto
Apr. 30	Brompton P. & P.	Montreal
Apr. 30	Cons. Textile Mills	Montreal
Apr. 30	Dalhousie Oil	Calgary
Apr. 30	Foothills Oil	Calgary
Apr. 30	Hud. Bay Mng. & S.	Toronto
Apr. 30	Imperial Oil	Sarnia
Apr. 30	Gordon Mackay	Toronto
Apr. 30	Lake St. John P. & P.	Montreal
Apr. 30	J. A. Lang & Sons	Toronto
Apr. 30♦	Montreal Island Pr.	Montreal
Apr. 30	Oil Selections	Toronto
Apr. 30	Royalite	Calgary
Apr. 30	St. Lawrence Corp.	Montreal
Apr. 30	St. Lawrence Paper	Montreal
Apr. 30	H. Simon & Sons	Montreal
Apr. 30	Southwest Pet.	Calgary
Apr. 30	Tooke Bros.	Montreal
Apr. 30	United Amust. Corp.	Montreal
Apr. 30	Waterous Ltd.	Brantford
May 1	Sullivan Cons.	Montreal
May 3	Francoeur Gold	Arntfield, Que.
May 3	Lake Waso Gold	Arntfield, Que.
May 3	Towagmac M.	Arntfield, Que.
May 3	Winnipeg Elec.	Winnipeg
May 4	Lake Fortune M.	Arntfield, Que.
May 5	Candn. Pac. Rlwy.	Montreal
May 5	Internat. Utilities	New York
May 5	Jamaica Pub. Service	Montreal
May 6	Photo Engravers	Toronto
May 7	Dominion Coal	Montreal
May 7	Dom. Steel & Coal	Montreal
May 12	Intnl. Paper	New York
May 17	Teck-Hughes	Toronto
May 18	Richmond Bldg.	Toronto

♦Adjourned from Jan. 23, 1948.

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

[illegible]

Unlisted Stocks

(Compiled from quotations supplied by Mippen & Co., Interbity Securities Corp. and Kamm, Garland & Co.)

[illegible]

Unlisted Mines

Approximate quotations, 3 p.m. April 26, subject to confirmation:

[illegible]

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

[illegible]

Record of Financing

[illegible]

Dividends Declared

[illegible]

Commodities

[illegible]

Municipal Bonds

[illegible]

Investment Trusts

[illegible]

COMPANY REPORTS

NATIONAL DRUG & CHEMICAL CO. 1947 net profit was off 2.5%. Volume of sales was well maintained, the annual report states. Operating expenses increased substantially but were to a large extent offset by reduction in taxes. During the year an upward revision of standard profits of two of the subsidiary companies was obtained, resulting, after certain adjustments, in a further addition to surplus of $103,803.

During the year the company completed costruction of a new building in Ottawa to provide modern premises for the operation of this wholesale branch. Net expenditures on fixed properties amounted to $181,844.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Gross profit	$875,014	$931,397
Less: Depreciation	45,234	38,565
Pens. fund	90,926	97,802
Taxes†	296,304	366,486
Minority int.	24,074	17,686
Add: Invest. profit	......	9,125
Net profit	409,574	420,011
Less: Pref. divds.	146,911	207,069
Com. divds.	125,189	
Surplus for year	137,474	212,922
Surplus per Share and Dividend Record:		
Earnings	$1.67	$1.72
Preferred	0.60	0.15
Paid (new)	....	*11.7
Paid (old)	1.05	1.09
Common	0.30	0.17
Paid (new)	....	0.14
Paid (old)		

*Pence.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$297,709	$408,100
Accts. rec.	1,249,043	1,065,465
Inventories	3,412,166	3,080,707
Total curr. assets	4,958,918	4,554,272
Misc. assets‡	296,157	345,148
Invests. in subsids.	556,976	556,976
Fixed assets*	928,682	791,278
Goodwill, etc.	198,110	200,610
Total assets	6,940,843	6,448,284
Bank loan	368,750	39,832
Accts., tax., etc., pay.	1,469,827	1,520,943
Total curr. liabs.	1,838,577	1,560,775
Def. liab.	......	12,840
Misc. int.	116,335	96,435
Cont. res.	102,549	95,623
Capital stock	2,476,175	2,476,175
Capital surplus	433,714	435,153
Earned surplus‡	1,973,493	1,771,284
‡Incl. ref. EPT†	217,296	256,363
†After min. int.	11,559	11,559
‡Incl. ref. EPT	228,855	267,922
*After depr. of	669,045	624,605
Working capital	3,120,341	2,993,497

OIL SELECTIONS realized a net profit of $1,086 in 1947 ($1,932 in 1946).

Securities of $143,978 market value at Dec. 31, 1947, included 69,-050 Springer Sturgeon, 5,375 Teck-Hughes, 1,000 Madsen, 1,000 Eureka Corp., 500 Orange Crush, 2,100 Upper Canada and 5,500 Howey.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Royalty rev.	$6,463	$5,152
Add: Other rev.	2,445	4,609
Total net rev.	8,908	9,761
Less: Oper. exps.	7,583	7,290
Taxes	239	339
Surplus for year	1,086	1,932

CONS. CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$21,591	$9,112
Call loan	5,500	5,500
Accts., etc., rec.	658	19,201
Total curr. assets	27,749	33,812
Borr. shs. cost	25,211	25,211
Other invest.‡	135,275	130,017
Royalty assets	46,994	43,495
Adv. to Borr.	33,116	34,916
Leases	2,145	2,145
Less: Reserve†	25,500	25,500
Total assets	244,999	244,097
Accts., etc., pay.	5	5
Taxes pay.	619	812
Total curr. liab.	624	817
Capital stock	87,963	87,963
Surplus	156,403	155,317
‡Market value	143,978	110,830
†Valuation reserve arising from consolidation of assets.		
Working capital	27,125	32,996

New Highs & Lows

During the week ended Apr. 24, 74 new highs were recorded among the "general" stock exchanges, and 23 new lows. In the mining group there were 17 new highs and 43 new lows; five new highs and two new lows among the western oils.

GENERAL

New Highs—1948

Algoma Steel, Aluminum new, T. G. Bright, Br. Amer. Oil, Do. pref., B. C. Pulp & Pap., Do. pref., Building Prods., Can. Cement pf., Can. Forg. B, Can. Packers A, Can. Celan., Can. Cot. pf., Can. For. Inv., Can. Gen. Inv., Can. Ind. Alcohol A, Do. B, Can. Lt. & Pwr., Can. Marconi, Can. Pacific, Can. West Lumber, Chateau Gai Wines, Cockshutt Plow, Cons. Paper, Cons. Smelt., Cons. Text., De Havilland A, Disher pf., Distill-Seagram, Dom. Coal, Dom. Eng., Dom. Glass, Dom. Scot. Inv., Dom. Textile, East Koot. Pwr. pf., East. Steel, Enam. & Heat., Fleury Bissell, Ford Motor A, Fraser Cos., Hamilton Bridge, How. Smith Pap., Imperial Oil, Ind. Accept. A, Inter'c. Coal, Int. Nickel, Int. Paper, Alf. Lambert, Massey Harris, McColl Front., Mercury Mills, Minn. & Ont. Pa., Mon. Knit. pf., Moore Corp., Nat. Brew., Nat. Steel Car, N. S. L. & Pr., Ott. Lt. & Pwr. pf., Pacific Coyle, Pantepec Oil, Robinson Little, Russell Ind., Scythes, Shea's Brew., Sher. Williams, Southam, Stand. Pav., Un. Corp. B, Un. Grain Grow., United Sec., United Steel, Wabasso Cot., Walker-Good.

New Lows—1948

Belgium Glove pf., Brew. & Distil., Can. Bread, Do. pref., Con. Bakeries, Dom. Dairies pf., Esmond Mills, Gen. Steel W. pf., Halifax Ins., Legare pf., Maritime Tel., Mont. Tele., N. S. L. & Pr., Penmans, Purity Flour, Regent Knit. pf., Robinson Little A, Silknit pf., Thrift Stores, Toronto Mtge., Traders Fin. A, Do. pf. 4½%, York Knit. A

MINING

New Highs—1948

Area, Chromium, Coast Copper, Conwest, Gold Pan, Grandview, Gulf Lead, Hudson Bay, L. Dufault, New Calumet, Normetal, Pend Oreille, Reeves McD., Siscoe, United Keno, Utica, Waite Am.

New Lows—1948

Aunor, Berens R., Bonetal, Brewis, Camp. R. L., Coin Lake, Coniaurum, Detta R. L., Diversified, East Mal., Gillies L., Heath, Jack Lake, Joburke, Kelwren, Kirk. G. G., Kirk. Lake, L. Rowan, L. Shore, L. Wasa, Lexindin, MacFie, Madsen R. L., Malartic G., Mylamaque, Nechi, Norpick, North. Canada, North Inca, Osulake, Pamour P., Pato Cons., Perron G., Picc'y. Porc., Porc. Pen., Prospectors, Queenston, Salmon G., Sylvanite, Taku, T. Hughes, Tombill, Wright-Har.

OILS

New Highs—1948

Alta. P. Cons., Anglo-Can., Calgary & Ed., Home, Leduc West

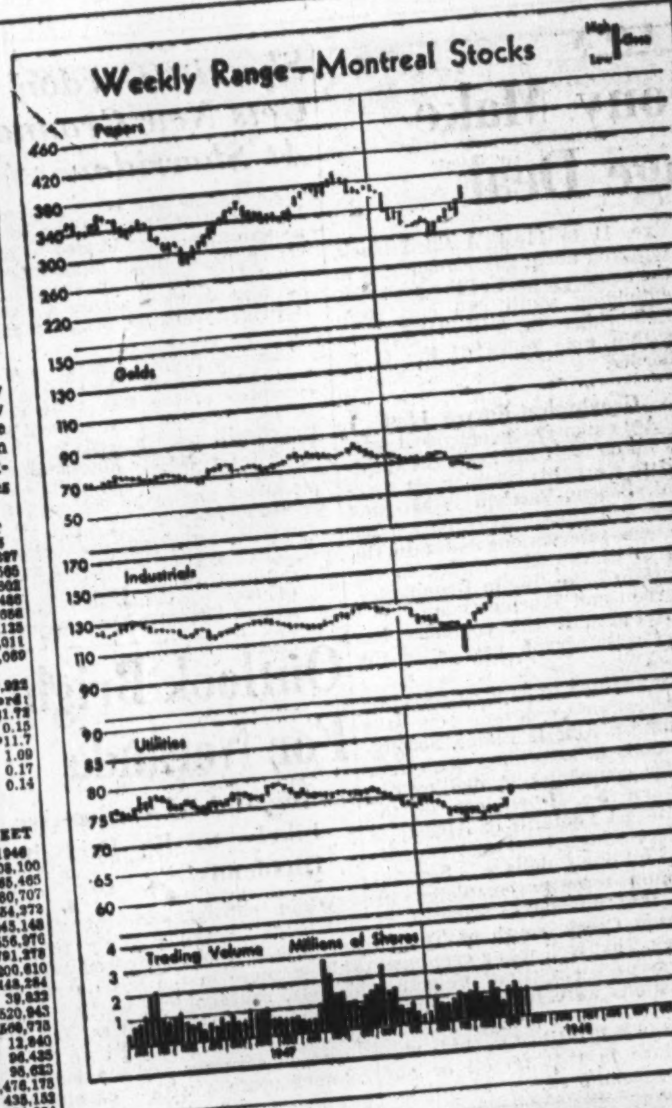
New Lows—1948

Foothills, N. Pacalta

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
‡T. Eaton Rlty 1st mtge. ser. A	4%	1951	Apr. 29	100
‡Metropolitan Bldg.				
‡Transportation Bldg. 20-yr. bds.	3½%	1967	Apr. 30	100
1st mtge. s. f.	5%	1953	May 15	100.75

‡All outstanding.
‡$850,000.



Market Comment

What stocks and bonds are doing and what prominent observers say.

Traders were taking comfort this week from the fact that daily volume on the first important market setback since mid-March was considerably lower than during recent days of biggest market advances. The favorable technical pattern indicated by volume turnover will continue to suggest near-term upturn, unless current decline brings in accelerating volume over a number of days.

New York and Canadian industrials were just about holding their own at early midweek, with current news favoring no major move either way. An important market question at the moment is what impact recently-announced price cuts in steel and other products will have on pending wage demands.

At last week's 1948 peak the industrial market, as measured by the Toronto Stock Exchange industrial index, had come back 20.4% from its mid-March low. In the same period the Toronto base metal index had shown a 28.7% rise to touch its highest level since June, 1946. Exploration, development and plant expansion plans would seem to indicate that metal mining officials anticipate the current high world demand for their products will continue for some considerable time. Concerned about its depleted stockpiles of such strategic metals as lead, copper and zinc, Washington is reported considering early re-entry of the market in a buying role.

• • •

A. H. Bolton, Bolton, Tremblay Co. (Montreal): In our September, 1947, analysis of the investment situation, we indicated our opinion that the postwar highs in stocks and bonds had generally been passed. Since then we have evidence that a peak is being passed in commodity price inflation. Thus we are one step nearer to ultimate deflation in our economy. It is apparent, however, that this pattern will unfold only slowly and that there will be periods of months on end, when production and prices will continue to rise.

Certain industries seem to point to increased production and profits over the next two or three years including oils, steels, base metals and utilities. The latter in many cases are selling at reasonable prices, based on present and projected earnings, and at values well below fair purchase or expropriation costs.

ERP's main advantage to Canada is in its easing of the exchange situation. It is, however, a partial panacea only, and not a remedy of our basic trouble, the resolution of which depends on the solution of the world problem of production, distribution and purchasing power, over which we have negligible control.

It is now possible to purchase highest grade common stocks to yield from 5% to 6%, based on dividends and earnings which are not overinflated. We believe that many of these now offer a logical place for the investment of funds both for revenue and for moderate appreciation of capital; and we prefer this group to lower-grade fixed-income securities at this stage of the investment cycle.

• • •

A. B. Davidson; Davidson & Robertson (Toronto): The industrial market gives convincing evidence of broadening, and we believe that the momentum is sufficient to carry stock prices considerably higher before any serious reaction occurs. Recent action by the United States Congress shows unmistakably that the people and Government of that country are determined to use their full economic and political strength in an effort to maintain peaceful and prosperous conditions throughout the world. We have already witnessed the effectiveness of this new policy in Italy and we may look forward to progressive improvement in the international scene as the various measures are implemented.

To date, the improvement in market values has been most pronounced in the primary industries, with the exception of the gold mines. We favor iron and steel, oils, pulp and paper, and base metals for market appreciation. The immediate outlook for the golds still appears clouded because of the rising trend in costs; but it hardly seems possible that the more soundly-situated producers will not eventually reflect the greater feeling of confidence which is prevalent.

• • •

Barron's: The Trader (New York): Capital expansion projected for 1948 was already so great as to prevent other than a mere readjustment in business. The utility industry will spend over $2 billions this year; telephone $1.2 billions; oil, on top of record-breaking outlays for 1947, $2.9 billions; and railroads, now given fresh confidence by the broad gauged ICC grant of additional rate increases, will increase outlays over one third to $1.2 billions. Including steel and chemicals, six industries will this year make capital expenditures of over $8.5 billions, against $7.1 billions in 1947.

Strachan Bongard Exchange Member

Strachan K. Bongard, a partner of Bongard & Co., members of the Toronto Stock Exchange has been elected a member of the Exchange. He is the younger son of R. R. Bongard, senior member of the firm. The new exchange member has been a trader for his firm for 18 years and was floor governor of the Exchange for a number of years. He is also a member of the Montreal Stock Exchange and the Montreal Curb Market.

COMPANY REPORTS

CANADIAN INGERSOLL-RAND 1947 net profit was up 50.3%. Working capital at year end amounted to $5,853,898—up $319,647.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$2,420,903	$1,522,093
Less: Depreo.	165,714	125,090
Income taxes	990,660	549,015
Net profit	1,274,439	847,981
Less: Dividends	807,932	376,316
Surplus for year	466,507	471,665
Earnings per Share and Dividend Record:		
Earned	$6.67	$4.47
Paid	3.00+1.25	2.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$379,036	$983,825
Bonds, at cost‡	1,525,550	2,026,550
Accts., etc., rec.	1,729,872	1,343,022
Inventories	4,204,038	2,911,823
Total curr. assets	7,838,486	6,974,230
Inv. & adv. sub.	12,500	12,500
Misc. assets‡	347,564	295,004
Fixed assets	701,367	627,476
Total assets	8,899,937	7,904,210
Accts. & tax. pay.	1,315,861	780,763
Advance payts.	429,779	650,210
Divd. pay.	238,948	......
Total curr. liab.	1,984,588	1,430,919
Capital stock	1,569,190	1,524,635
Earned surplus‡	5,345,969	4,939,596
‡Market value	1,536,706	2,036,175
‡Incl. refd. EPT	231,539	224,613
Working capital	5,853,898	5,534,251

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OIL PRODUCTION

CPR and Socony Make Biggest Acreage Deal

From Our Own Correspondent

CALGARY — The Socony-Vacuum Exploration Co. has completed agreements with CPR whereby the American oil company will explore over 1,800,000 acres of the railway's oil and gas rights in Southern Alberta. In terms of acreage, the agreement is the largest yet completed in the history of the Alberta oil industry.

Of the CPR rights involved, about 1,460,000 acres are located in the eastern irrigation district, in a spread extending eastward from the city limits of Calgary for over 90 miles to the Red Deer River. West boundary of this block lies between Calgary and Crossfield, between Twps. 24 and 28, adjoining the 5th meridian. Its north boundary extends east to Drumheller. It is bounded on the east by the Red Deer River. On the south it is bounded by the Bow River, the Blackfoot Indian Reserve, and the town of Bassano. (Within the block area are extensive holdings of the Sun Oil Company of Philadelphia, and the independent Atlantic Oils, Pacific Petroleums, British Dominion Oil and Mid-Continent Oil & Gas.)

A further 54,000-acre block involved in the agreement with Socony-Vacuum is located between Princess-Tilley and Bow Island. This block is in Twp. 14 Rge. 11 to 14w4. A third block, totalling about 294,000 acres, is in the southern part of the province, extending south and east from Lethbridge to Twin River, to within nine miles of the U. S. border.

• • •

Geophysical Survey First

An extensive geophysical program on the CPR lands is expected to start this summer. At present, Socony-Vacuum is carrying out a geophysical program on Crown reservations lying to the north of the CPR rights, in the Buffalo Lake, Hann, Drumheller, Carbon and Trochu region.

At present the company has two seismograph parties in the field.

In addition to its widespreading exploration program on the Southern Alberta Plains, Socony-Vacuum is associated with four major companies in drilling the Muskeg No. 1 wildcat in the northwest Foothills of Alberta, a project whose total cost exceeds one million dollars. Socony-Vacuum recently completed its own first wildcat in Alberta, at Stimson Creek, south of Turner Valley. That well was a geophysical success, in that objective formations were found at depths corresponding to predrill seismograph-based estimates, but was a failure in that no oil or gas were encountered.

Inco Speeding Its Ore Hunt

Approximately a million dollars a year is being spent by International Nickel Co. of Canada throughout the world in its search for new nickel ore, President R. C. Stanley informed shareholders at the company's annual meeting this week.

"As a result of seeking new ore, this company has in the past 15 years proven some 130 million tons of ore or about nine million tons per year," Mr. Stanley pointed out. "This is about the average rate at which we are now extracting ore. Today we have as much proven copper-nickel as we had 15 years ago."

Making Aerial Surveys

Stressing that ample ore must be maintained for many years ahead, Mr. Stanley pointed to the search being conducted for new deposits in Canada.

"We are making airborne magnetometer reconnaissance surveys in Canada," he stated. "We have already flown over the Sudbury Basin, the Porcupine area and several areas in Manitoba. It must be realized that this is merely an air survey to pick out possible ore locations in large areas. The so-called anomalies, very few of which indicate ore, must subsequently be examined and very possibly diamond-drilled."

Study of Venezuelan nickel deposits is also being continued.

No Russian Buying

Record peacetime sale of 205.3 million lb. of nickel was achieved in 1947 without trade with Germany, Russia and Japan. Nickel requirements in the United Kingdom showed the same proportionate rise as in the United States.

Constant attention is being given to improvements in process to help offset a steady increase in costs, Mr. Stanley indicated. "It has been the policy of the company to seek a price for its products which, while fair to the producer, contributes to growth of the market."

The new plant for production of nickel oxide sinter is expected to be completed before year end. Sinter is already being turned out from a pilot plant with approximately 12.5 million lb. of nickel used in steel making in this form in 1947.

A plant to recover cobalt was brought into operation at Port Colborne last June and is now making approximately 15 tons of metal in oxide per month.

Capital expenditures for 1948 are estimated at $12 millions against $9,568,796 for 1947.

Sherritt Gordon Gets New Ground At Sherridon

An option has been acquired by Sherritt Gordon Mines on a group of 30 claims located in the centre of its main property at Sherridon which the company has been trying to acquire for the last eight years, the company announces.

The new property in its northerly part covers the westerly extension of the Bob Lake ore structure but the new ground is completely undeveloped and no ore occurrences are known. Geophysical and diamond drill explorations are to be commenced immediately.

A total of 2,380,000 tons averaging 1.33% copper and 1.18% zinc has already been indicated in three lenses on the Bob Lake section of Sherritt's own ground.

Outlook Bright For Noranda

Any Added Earnings Are Likely to Be Paid in Dividends

While earnings in the first quarter at Noranda Mines were only 84c a share compared with $1.01 a share in the last quarter of 1947, shareholders learned at the annual meeting that the outlook appears very bright both for increased earnings and dividends commensurate with earnings power.

General Manager H. L. Roscoe explained that lower earnings in the first quarter were chiefly attributable to the breaking in of a large number of new miners and treatment of lower-than-average grade ore in January and February. On April 15, there were 1,458 employees or 180 more than at the beginning of the year. Labor force is now 50% larger than a year ago.

President J. Y. Murdoch expressed optimism as to earnings possibilities with the current price of copper. Questioned as to the possibility of larger dividends later in the year (a dividend of 75c has been declared payable June 15 to shareholders of record May 14), Mr. Murdoch stated that the company had made up the cut in surplus occasioned by the strike and that the future policy would be to pay out bulk of earnings.

Research Encourages

"I believe the results obtained so far in the laboratory and the test plant have been sufficiently encouraging to justify the belief that a substantial profit will ultimately be realized from the treatment of No. 5 zone material," Mr. Roscoe declared of the big zone partially explored between the 3,000- and 6,000-ft. levels which is stated to contain over 100 million tons of marginal grade material, 50% of which is pyrite. Further refinements are being made in the process of producing elemental sulphur and high grade iron oxide but the decision on construction of a commercial plant has not been made.

Two more drills have been added for exploration purposes. One of these is operating at surface and the other underground. So far this year three small ore bodies have been located between surface and the 500-ft. level in an area betwen "G" and "E" ore bodies. Present indications are stated to be that about 150,000 tons of ore will be outlined in this area.

Finalize Plans At Quemont

Negotiating Smelter Contracts — Needed Funds in Sight

Definite progress has been made by Quemont Mining Corp. in finalizing its plans in several directions, President J. H. C. White informed shareholders at the annual meeting this week.

Preliminary arrangements have already been completed for extra finances required and a definite saving is now envisaged in lake drainage due to a change in plans. No contract has yet been completed for sale of metal concentrates but the general terms of a copper contract with Noranda Mines are stated to be understood. No difficulty is envisaged in selling either zinc concentrates or pyrite following conversations with American firms.

The No. 2 or main shaft is to be deepened from 1,140 to 2,140 ft. which will permit more detailed exploration of the folded area at depth. Ore has already been indicated by diamond drilling to a depth of 2,100 ft. Shaft sinking which will continue until next December. It is expected to result in quite a saving over the 14 years' life of present ore reserves.

"Our estimates now indicate that the water and fluid mud can be drained from the northern part of the lake for a cost which will be very substantially less than the cost estimated in the original program," Mr. Waite declared.

"The Quemont operation will be a well diversified one producing five different products, namely gold, copper, zinc, silver and pyrite. At full production we will ship about 150 tons of copper concentrates, 80 tons of zinc concentrates and 400 tons of pyrite per day."

Dome Bachelor Lake Ground Now Shows 500 ft. of Ore

An ore length of 500 ft. of lead, silver, zinc has been exposed by diamond drilling on the Bachelor Lake property of Dome Mines with encouraging possibilities of further extension, shareholders learned at the company's annual meeting.

Average of all sections assayed from diamond drilling is stated to be 12 oz. silver, 2% lead and better than 16% zinc. A very extensive further exploration program is planned.

Production is expected to commence at Campbell Red Lake by next January where the situation was reported "quite satisfactory" with over $4 millions of ore outlined. Work is now into the north zone on four levels and it is hoped that this will enlarge the ore picture considerably. The shaft is to be deepened another 500 ft.

Installation of a mill of 300 to 500 tons daily capacity is now proceeding.

R. E. Dye, manager of the Dome mine, stated that as much ore was placed in sight as was mined during the first quarter. A large program is being undertaken to put the mine into the shape it would have been in save for the interruption of war. Deeper levels are stated to look promising.

Deeper levels at Sigma Mines were reported by J. G. McCrea to at least equal upper levels. Considering present conditions, the situation there was stated to be satisfactory.

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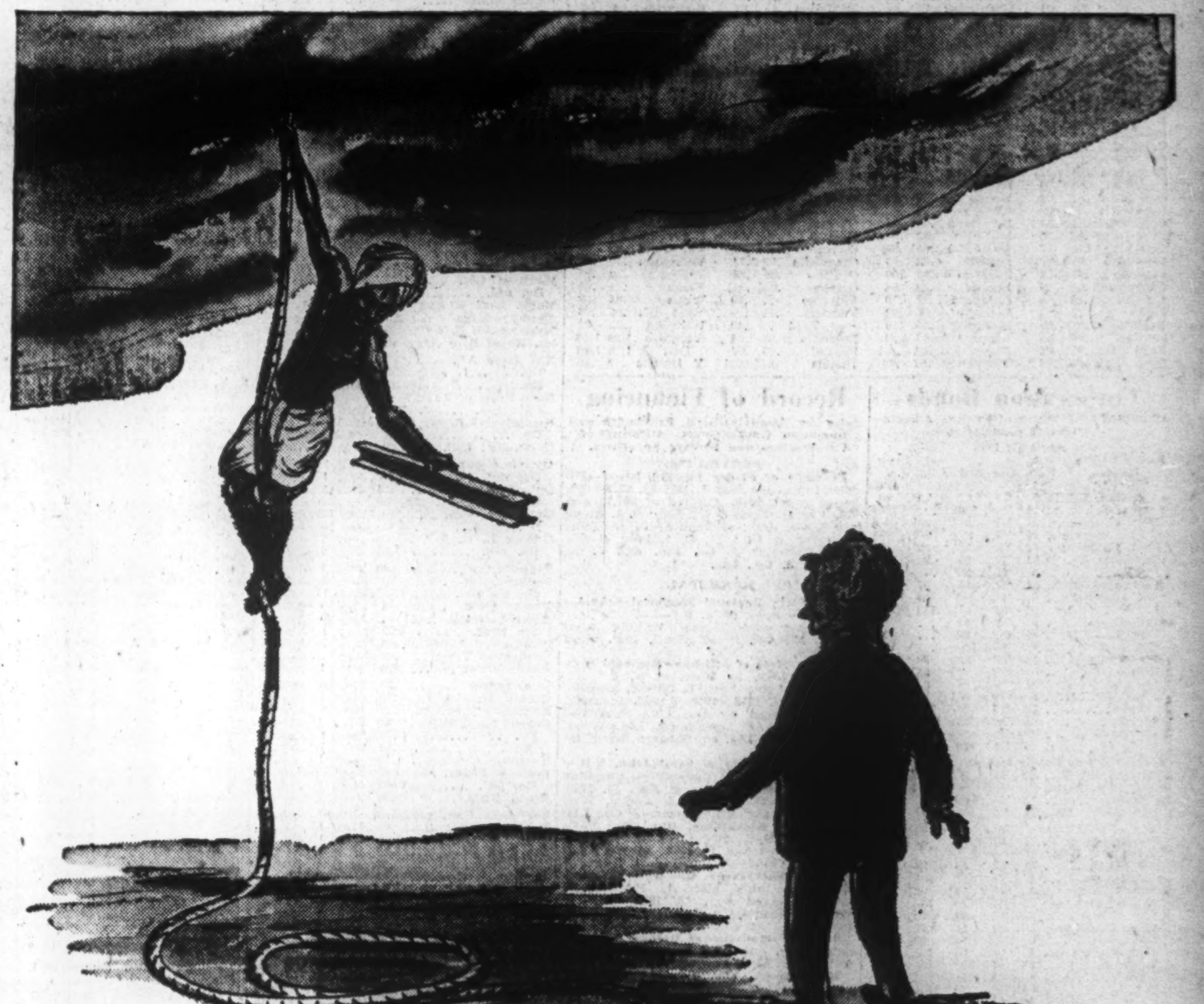

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United Keno Hill Shows Growth Chances As Mayo Silver-Lead Yields New Profits

By GORDON M. GRANT

A profitable silver-lead mining operation with substantial growth chances has been established by United Keno Hill Mines in Mayo's famous old silver-lead camp where mining flourished decades ago. In former days, silver averaged 44 cents against 74⅞ cents an ounce today; lead sold at but a small fraction of the current 17½ cents a lb. These price changes are making a world of difference.

Frobisher and Conwest, financial sponsors, have high hopes for the present Keno Hill set-up. As one Conwest official expresses it, United Keno Hill "could be the best thing ever brought into this office."

Keno Hill operations centre around old silver-lead mines which cover a strike length of about 12 miles. From present indications, older mines were never really worked out. Present operators have concentrated their chief activities on the opening of a really profitable new mine, the Hector. Operations are only now really turning to older mines as milling rate gradually expands.

In nine months of 1947, a net profit of $49,068 was realized even after absorbing the cost of developing a two-year ore reserve ahead in the Hector mine (on the basis of the 1947 production rate of 76 tons daily). But much greater progress is being achieved in 1948, it appears.

Here are a few of the current factors of importance:

1. Operating profits are running much higher—a $45,000 record operating profit was realized in January.
2. New ore disclosed is not only meeting mill requirements but is adding to reserves at rate sufficient to double reserves this year.
3. Milling rate has been moved ahead considerably with an average of 115 tons treated daily in a recent week; immediate objective of 125 tons was expected by early May with 150 tons to be reached before year end.
4. Hector-Calumet, Elsa, Silver King and No Cash mines of Galena Hill sector—where mining is currently conducted—are showing leads for further ore with Keno Hill section yet to be touched.

Efforts of previous operators were apparently directed towards maintaining a mill head of 60 oz. silver. Today there is plenty of profit in material running 45 oz. silver and it is believed there is much of this in the old workings when the company gets around to extracting it. So far mining operations have been chiefly confined to the Hector mine adjoining the old Calumet workings because such extremely fine results have been secured in that section.

550 Ft. of High Grade

Both the 100- and 300-ft. levels of the Hector mine show 550 ft. of continuous high grade ore with both southwest faces still open. At the 400-ft. adit level below, first work was off structure. But the ore was recently encountered parelleling the drift. After crosscutting to the ore structure, the first 200 cars of muck, representing about 60-80 ft. of drift ran 25 oz. silver or about the same grade as above, allowing for dilution. All but 2,000 tons of the 63,071 tons of ore in reserve at the end of 1947 (averaging 45.8 oz. silver and 7.2% lead) were in the Hector sector. The Hector ore structure appears to be the faulted extension of an adjoining Calumet ore body. The Calumet body had a very important ore shoot in an offset occurrence and a drive is now going out at Hector's first level in an effort to pick up its extension. One interesting assay has already been secured.

Ore news may be forthcoming from the Calumet workings in the near future. A winze is being sunk there from the 400-ft. adit level to permit development of the downward extension of an ore shoot whose sampling at the 400-ft. level showed an included length of 215 ft. averaging 81.1 oz. over an average width of 7.1 ft. The winze is probably down to 50 ft. where a crosscut will test the occurrence.

Numerous sections were not completely worked out in the Calumet workings under previous operators but rehabilitation of old stopes, etc., has been left until later.

Elsa Shows High Grade

In the Elsa mine, little underground work has been done but a high-grade silver ore shoot was developed after two drill holes "clicked." This shoot, opened at the 200-ft. level, is 135 ft. long, averages 120 oz. silver per ton across an average width of three feet.

At the Silver King mine, an adit is being driven at the 100-ft. horizon to tap the extension of the high-grade Silver King vein at a point southwest of where work was done on this vein previously. This adit is reported close to the anticipated location of the vein. Work is also being started in the No Cash sector.

An indication of the character of ore that may be derived from these mines of the Galena Hill sector is given by past production. A total of 266,047 tons of ore taken from this section graded 74.75 oz. silver and 8.3% lead. The Keno Hill sector, where work is planned later, gave a total output of 357,076 tons of ore averaging 68.75 oz. silver and 7.33% lead.

Financial Situation

The United Keno Hill operation, like so many new mining operations, required more funds than originally anticipated. But the financial sponsors agreed to underwrite $500,000 of bonds; Bank loans will provide $500,000 (if needed). Proceeds of these together with the anticipated taking up of 250,000 shares under option at $1 are expected to provide all the funds required. There will then be 2,250,000 shares outstanding.

Concentrates on hand for shipment from Mayo at April 1 contained 749,787 oz. silver and 2,156,368 lbs. of lead of which almost half represented results of operations in the first three months of this year. Allowing for concentrate treatment charges, freight charges on concentrates, etc., these concentrates are currently worth in excess of $650,000. The company will also have a large quantity of additional concentrates from current operations to send out in the current shipping season.

On the basis of present grade of ore treated, about a third of production appears likely to be operating profit. At a daily production rate of 150 tons daily, operating profits may prove close to three-quarters of a million dollars. The company enjoys a freedom from Dominion corporation tax extending to Sept. 30, 1950.

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Pay $125 an Acre at Leduc As Pipe Line Compensation

From Our Own Correspondent

EDMONTON—Record rate of $125 an acre as the pipe-line rate of compensation for two farmers in the Leduc oil-field area has been issued by the Board of Public Utility Commissioners here.

Expected to have far-reaching effects, the order is to provide a basis for negotiations between Imperial Pipe Line Co. and other farmers in the area, whose holdings have been used for construction of an oil transportation line.

Running from Nisku, on the CPR 13 miles south of Edmonton, there is an eight-mile, eight-inch main oil line which has been built across 10 farms. By next September, the pipe lines are expected to cover between 50 and 60 miles.

Some years ago, the board set the pipe line rate of compensation at $75 an acre in Turner Valley. Action in the Leduc area resulted when the company applied to the landowners affected and for an order for immediate possession of land on which the company desired to acquire an interest.

In a statement accompanying its decision, the board pointed out that the pipe line passed through some of the best farm land in the province. Because of objections on the part of some farmers, the sheriff had to enforce the board's order for immediate possession. The statement said that since the legal title is retained by the landowner, he can, subject to the company's rights, make full and ample use of the land.

The company, on the other hand, subject to the payment of damage, may go on the land at any time for the purpose of laying additional lines, replacing lines, repairing or finally removing lines.

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Smelters Head Is Optimistic

MONTREAL (Staff) — R. E. Stavert, president of Consolidated Mining & Smelting Co. of Can., told shareholders at the annual meeting last week that high lead prices are causing the substitution of other materials for some of its important uses. Said Mr. Stavert: "It is unfortunate that the price of a metal of such importance as lead has risen to this high figure" (17.5c lb.).

A lower price level was probably sufficient to encourage output from such known ore deposits as might be brought into production in the near future, Mr. Stavert said. The only extenuating possibility mentioned by Mr. Stavert was that high prices might encourage output from marginal deposits. The C. M. & S. price of lead to Canadian consumers is about ¾c lb. below that of United States.

Demand Exceeds Supply

Mr. Stavert's report was, however, generally optimistic throughout. World demand for lead is still much in excess of production. Last year the company exported more than 70% of its metal production with the exception of siver and tin. Less than 70% of the silver was exported and some tin. Of the export of metals Mr. Stavert said that over 67% brought in U. S. dollars. Exports of fertilizers amounted to 85% of production and nearly 65% of these sales realized U. S. dollars.

To provide for anticipated increased requirements in the company's plants, orders have been placed for equipment for a third unit of 35,000 hp in the hydro-electric plant at Brilliant on the Kootenay River. This unit should be completed before the end of 1949, Mr. Stavert said. Total installed capacity of Consolidated Mining's power plants including the new unit will total 325,000 hp.

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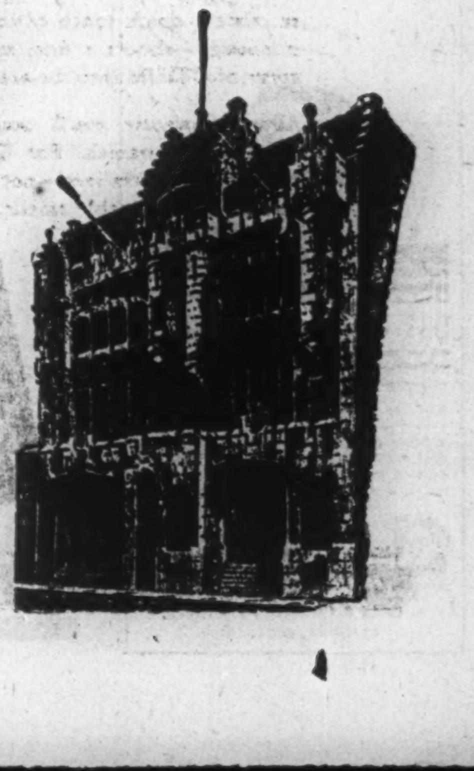
We are young, yes. But we have come of age, for moderation is the wisdom of maturity.



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THE HOUSE OF SEAGRAM

LONDON CALLING—*By Adelphi*

'Hangman's Holiday' May Split Peers; Italian Vote Brings Socialist Rift

LONDON—Everyone at Westminster is waiting for the House of Lords debate on the five years experimental ban on capital punishment. This was carried by a free vote in the Commons, against the wishes of the Government and the official Tory Opposition.

There has been a strong reaction on the part of the public. The idea of murderers coming out of prison in 15 or 20 years horrifies a lot of nice old ladies, and perhaps some young ones as well.

It will be interesting to see how former Home Secretaries, now in the Lords will divide. Lord Simon, who used to be Sir John, is an out-and-out hanger. On the other hand Lord Templewood, who was Sir Samuel Hoare, is now an abolitionist. Lord Samuel, formerly Sir Herbert Samuel, will probably line up with the supporters of the gallows.

Beverly Baxter is not only charged with swaying enough votes to carry the resolution, but he has come under hot fire from his own constituents. While he was in America a policeman was foully murdered in Baxter's constituency. The murderer came up for trial last week, was found guilty, sentenced to death and then automatically reprieved as the result of the Commons vote.

• • •

Socialists to Oust Pro-Communist M.P.?

Another big row is going on in the Socialist Party. A year ago the British Socialists supported Signor Nenni and his Italian Socialists. But when Nenni made common cause with the Italian Communists, the British Laborites withdrew their blessings.

But on of the eve of the big and satisfactory Italian election a rebel group of British Socialists sent Nenni a telegram of good wishes. The ringleader was an extraordinary Socialist M.P. named Platts-Mills who has become so notorious that cartoonists now draw him without a label.

He is a good looking New Zealander, 42 years of age who was educated at Oxford and was called to the English bar. He worked in the mines for a few months.

He is anything but a Communist type, and his voice is as cultured as his appearance. Politicians try to figure out his "game." He will almost certainly be kicked out of the Socialist Party, but he is doomed at the bar if he joins the Communists. Yet he makes no attempt to placate the Socialist hierarachy.

Herbert Morrison, as the Socialist Party boss is breathing fire, like Siegfried's dragon, in all directions. He undoubtedly feels that what is called the "Hey Nenni No" incident is a direct affront to his dignity.

• • •

Lord Beaverbrook is leaving for Canada within the next few days, and before sailing will be given a dinner by journalists in London who "love him with all his faults." They will include Percy Cudlip, who went from Beaverbrook's Evening Standard to become editor of the Socialist Daily Herald; Frank Owen, who also left the Standard to become editor of the Daily Mail. Michael Foot, part author of "Guilty Men," now a Socialist M.P. and editor of the Socialist Weekly Tribune, is also a former Standard editor.

Then there is Tom Driberg who went from the Express to become a Socialist M.P. and a Socialist propagandist. It is doubtful, however, if Hector McNeil, who was a Glasgow journalist in Beaverbrook's employ and is now Minister of State, will risk being present.

With all his faults of temperament Lord Beaverbrook has been the greatest encourager and developer of talent in the history of British journalism. His position as the greatest British newspaper publisher is now unchallenged.

• • •

Who Will Be First To Raise Dividends?

The Stock Exchange supplies a new game to investors these days. The Chancellor of the Exchequer put companies on their honor not to raise dividends and every annual statement is watched to see which will be the first to flout Cripps' request. So far there has been no increase, although there is nothing to prevent it.

In the meantime, there are signs that the inflationary period is over and that, perhaps, the deflationary process has set in. Taxicabs, always a significant barometer, are not doing well. The night clubs are deserted and the restaurants are doing only a moderate trade.

Part of the reason is that the Stock Exchange is more or less static, with the result that there is not so much untaxed profit from capital gains. The Treasury has also tightened up on expenses which had developed the hospitable instict among company directors to a remarkable degree.

Finally, there is the feeling of insecurity which followed Cripps' unfair and unnecessary capital levy, even though he camouflaged it under another name. So perhaps we shall at last begin to see a drop in prices.

• • •

We are celebrating the silver wedding anniversary of the King and Queen. I shall attend the services at St. Paul's and make some comment in this column next week. We all hope that the present summer weather will hold. Never has Britain looked so lovely, so early in the year.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

LANGLEY'S LTD. 1947 operations resulted in a net loss of $24,994 as against a profit of $24,365 in 1946. Volume of laundry processed was about the same as during the previous year. Because of scarcity of labor the company could not accept all the business available and that which was accepted, could not be ready in the normal length of time. Since last fall, however, a change has occurred in the labor supply. Volume has improved accordingly, and work is now returned in four to six days.

The new plant at Hamilton went into operation in February, 1947. Two short finishing units have been installed, allowing the work to be done in Hamilton instead of in the Toronto plant, as previously. Statement for the nine-month period showed a profit of $5,145 after taxes (fiscal year of Hamilton subsidiary was changed to end with the November accounting period). The fiscal year of parent company is being changed to this accounting period.

One of the most difficult problems was scarcity of female help. With change of income tax law, increasing tax for married women, many female employees gave up their jobs, thus accentuating an already acute situation in the Toronto area.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$5,511	$71,079
Less: Deprec.	30,505	31,440
Income tax res.	......	15,274
Net profit	*24,994	24,365
Less: Pref. divds.	28,285	16,971
Surplus for year	*53,279	7,394

*Loss or deficit.

Earnings per Share and Dividend Record:		
Pref.: Earned	d$4.42	$4.31
Paid	5.00	3.00
Common: Earn.	d3.11	60.73
None paid.		

CONDENSED CONS. BALANCE SHEET As at Dec. 31:	1947	1946
Cash & Dom. bds.	$129,162	$303,280
Accts. rec.	42,748	81,385
Life ins. c.s.v.	35,978	35,370
Inventories	48,734	36,916
Total curr. assets	256,622	386,961
Subsid. invest.	190,000	125,000
Misc. assets	54,233	56,191
Fixed assets*	599,181	606,198
Total assets	1,100,036	1,144,349
Total curr. liab.	31,814	37,878
Capital stock	784,732	784,732
Capital surplus	239,690	239,690
Earned surplus	43,800	82,040
*After depr. of	539,265	508,226
Working capital	224,808	319,073

METROPOLITAN LIFE INSURANCE CO. shows $37.2 billions of life insurance in force at the end of 1947, a new high level, (34.4 billions in 1946). New insurance effected in 1947 was almost $2.9 billions ($3.1 billions in 1946). Payments to policyholders and beneficiaries at $671 millions exceeded all previous records, as also did total assets at over $8.5 billions.

New life insurance bought from the Metropolitan Life by Canadians in 1947 totalled $209 millions, bringing the total in force in this country on Dec. 31 to over $2 billions. Of this amount 58% is ordinary; 31% industrial; and 11% group insurance.

Of the total policy payments of $36.2 millions in Canada, 69% was paid to living policyholders. The total amount Metropolitan has paid to Canadians since it entered Canada in 1872, plus the amount now invested in Canada, exceeds the total premiums received from Canadians by more than $306 millions.

Total investments in Canada on Dec. 31 were over $480 millions, 51% Dominion bonds. Since the war ended, Metropolitan's new investments have gone increasingly to help finance the needs of industry and the community, as in prewar years. In 1947 234,835 nursing visits were made to Metropolitan policyholders under industrial intermediate, and group policies; and more than 1½ million health and safety pamphlets were distributed. Important figures in the report follow:

Total Business

	1947 $000	1946 $000
Insurance in force	37,250,000	34,422,019
New insurance	2,895,658	3,119,546
Total assets	8,548,423	8,045,433
Liabs. to p'holders inc. actuarial reserves	7,980,771	7,480,257
Taxes	17,704	20,199
Sp. surplus fund inc. invest. & amort. res.	93,281	104,533
Misc. liabs.	29,390	26,994
Free surplus	427,276	413,449
Policy payments	671,000	630,302
Canadian Business		
Insurance in force	2,083,392	1,937,785
New insurance	209,635	217,565
Invests. in Canada	480,304	448,687
Policy payments	36,223	33,891

CONIAGAS MINES experienced a $7,711 net loss in 1947 (against $44,086 loss in 1946) after charging administrative and development expenses of $70,034 and $50,074 to revenue from investments and $4,249 profit on securities sold.

Disturbed market conditions did not permit sizeable profits on sale of securities at a profit unlike the previous year, President A. L. Bishop states.

A share interest, and interest in financing, is held in Silver Contact Mines. Tonalite Gold Mines has also been formed on a group of claims in Leeson twp., Ont., held jointly with Ken-Bay Gold Mines subject to a 10% staker's interest. Interests are reported held in 16 properties in Quebec and Ontario.

Working capital, taking securities at market value, totaled over $2.3 millions or $3.00 a share at Dec. 31, 1947.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Inc. fr. invests.	$58,074	$54,894
Prof. on sale of secs.	4,249	28,943
Total revenue	62,323	83,837
Less: Admin. & devel. exps.	70,034	127,923
Net loss & def.	7,711	44,086
Earnings per Share	d$0.01	d$0.062
None paid.		

CONDENSED CONS. BALANCE SHEET As at Dec. 31:	1947	1946
Cash	$40,438	$28,529
Govt. bonds†	1,127,208	1,167,286
Accts. rec.	2,113	2,143
Other secs.‡	607,485	588,580
Total curr. assets	1,777,244	1,786,538
Fixed assets*	3,305	2,089
Total assets	1,780,549	1,788,627
Total curr. liab.	2,723	3,089
Minority int.	252	252
Capital stock	3,575,220	3,575,220
Deficit	1,797,645	1,789,934

‡Quoted value of marketable secs. exceeded book value by $548,194 at Dec. 31, 1947; $755,476 at Dec. 31, 1946.

*Less depr.

Working capitals	1,774,522	1,783,449

sTaking securities at book value.

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News Note from another land: "A woman, native of —— was taken at night from her home, kept four months in prison, sent for four years to —— labour camp, in a cattle car. She was released without explanation, hearing or trial."

Since the beginning of recorded time, man has labored unceasingly to protect himself from despots and tyrants. It is self-evident to the Canadian that everyone is entitled to equal protection under our laws. The laws of our land state that no citizen shall be subjected to unwarranted interference with his privacy, family, home or form of religious beliefs. No one shall be deprived of his personal effects without due process of law. No one can be held in bondage or servitude. Anyone arrested has the right to demand that charges be laid before the proper authorities and that he be brought before a representative of the Crown. No person shall be convicted or punished, except after public trial by law.

These are the basic laws of a just, freedom-conscious people . . . a people with a consistent, proven faith in the dignity, rights, worth and integrity of their fellow men. Under our law, a man is innocent until proven guilty. In these perilous days it might be well to ask: Have we become too complacent about our rights under law? Too unappreciative of the enormity of the problems that confronted the founders of our judicial system? Certain it is, that in this period of history, the rights we take for granted have been denied millions, elsewhere . . . in these many cases, liberty for millions has been swept away overnight. By totalitarian liquidation, these rights which are ours, have been flaunted, ridiculed, violated. Let us ever bear in mind this: "The price of liberty is eternal vigilance . . ."

Our rights to a trial by jury are based on English common law, one of the greatest achievements of the human mind. They were won by the strength, tenacity of purpose and high moral courage of our fathers, to whom justice before law was the greatest goal of free men. Let us give long, serious thought to our rights under law. Basic, obvious, vital it is that we stay alerted to our blessings.

No. 7 of a series on Canadian Democracy, dedicated to the people of Canada, partners in a true democracy, by:

UNITED DISTILLERS LIMITED
VANCOUVER, B.C., AND GRIMSBY, ONTARIO

BW-7